

PUBLIC ADMINISTRATION: REFLECTION, RELEVANCE AND READINESS

Michiel S. de Vries
Gerda van Dijk
Margaret Chitiga-Mabugu

Public Administration: Reflection, Relevance and Readiness

NISPAcee
The Network of Institutes and Schools of Public Administration
in Central and Eastern Europe

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Foreword

We, in the Faculty of Economic and Management Sciences at the University of Pretoria, are proud to celebrate the 25th anniversary of the School of Public Management and Administration. Public Administration teaching has had a long and proud history at our institution and was one of the founding departments of the Faculty when it was established as the Faculty of Commerce and Administration in 1919. The BAdmin degree was first taught to undergraduate students in 1926, originally only to extramural students, but since 1966 has been a full-time degree for all students. The degree was colloquially known as the “study of blue books”, since all government publications, rules and regulations were printed with blue cover pages. As was the practice in many institutions, the study of Public Administration was combined with Political Science. This led to the formation of the Department of Political Science and Public Administration in the Faculty of Humanities in 1930. In 1966 the Department became an autonomous academic unit with Professor JJN Cloete as the first Head of Department. With Professor Cloete’s retirement, the 2 departments merged again and it was only in 1982 with the appointment of Professor Christopher Thornhill as Head of Department that it gained its independence. During 1993, due to the size and academic offering of the department, the decision was made to create the School of Public Management and Administration. Since then the School has had four directors, including Professor Christopher Thornhill, Professor Sibusiso Vil-Nkomo, Professor Jerry Kuye and the current Head of Department, Professor Margaret Chitiga-Mabugu.

With the publication of this book, the current staff complement of the School is showcasing their research interests aptly named “Public Administration: Reflection, Relevance and Readiness”. The first section of the book – Reflection – comprises chapters by Christopher Thornhill, Gerda van Dijk and David Fourie, in which they consider how the past 25 years have shaped the teaching and practice of the field. Christopher Thornhill’s chapter describes how the dawn of democracy has changed the policy landscape of South Africa, and highlights specific functional areas which have been affected by the changes in government direction and leadership. Gerda van Dijk’s chapter focuses on the role of gender and feminism in the understanding of the discipline and comments on how feminism and gender could shape the epistemology, ontology and methodology of the discipline. David Fourie’s contribution

reveals the manner in which public financial management reforms have made provision for a more accountable and transparent public sector, while juxtaposing this with the reality of corruption and maladministration in the financial management sector. The first section of the book offers a platform for contemplating how the practice and theory of the discipline are inextricably linked, while asking questions about how the discipline's body of knowledge is influenced by the macro and micro environments within which it manifests.

The second section of the book – Relevance – envisions how the discipline's practice remains relevant within the highly politicised social and economic reality. Michel Tshiyoyo's chapter considers how governance has shaped the practice and brought reforms to the manner in which the study is delineated. He considers the appropriateness of the current theoretical context when compared to the practical reality of providing flexible and innovative public goods and services. Onkgopotse Madumo takes this concept further and focuses on the intergovernmental governance issues as manifested in metropolitan municipalities. He comments on the changing role of government and focuses specifically on the ability of contemporary metropolitan municipalities to ensure services and access to indigent people. Tyanai Masiya and Adrino Mazenda argue the role that ward committees have within the municipal sphere of government, specifically as it relates to the obligation of government to ensure proper public participation in policy making and implementation. Within the municipal sphere of government, Vandudzai Mbanda and Margaret Chitiga-Mabugu comment on how infrastructure development enables economic growth and raise the concern that the lack of infrastructure maintenance and management has had a negative effect on the ability of local government institutions to promote social and economic development. Adding another dimension to the ability of government to promote development, Mapula Nkwana and Lianne Malan provide insight into the monitoring and evaluation framework needed to promote food security within South Africa. Both locally and globally, access to food is perceived not only as a legal obligation of the state, but as a moral barometer for the manner in which a state is able and capable of caring for its people. The section on relevance clearly indicates that the practice of public administration affects the daily lives of all citizens and illustrates how complex the structuring and practice of the field of study has become.

The final section – Readiness – contemplates the extent to which the South African Government, and by extension, the practice of public administration, is geared for the complex future it faces. In the chapter by Unathi Mphendu and Natasja Holtzhausen, the social ill of corruption is tackled in an innovative manner. The authors provide recommendations towards addressing unethical behaviour specifically identified within the Social Cluster of the Gauteng Provincial Government. Norman Nhede confronts the public sector human resource development challenges that the Fourth Industrial Revolution brings. He provides some perspective on how the fears regarding job losses could be turned around into opportunities

for growth and innovation. Richard Mthethwa compares the social security system in South Africa with its BRICS counterparts in an effort to provide observations regarding the policy, organisational and operational requirements needed for an inclusive social security response to development issues. In the chapter focusing on the geopolitics involved in the BRICS trade policy, Adrino Mazenda and Tyanai Masiya comment on the minor impact which the BRICS integration has had on trade within and between member countries. South Africa's position, as well as the value derived from its BRICS partners, are questioned and suggestions are made to investigate alternative mechanisms through which trade can be promoted. The final chapter in the book explores the possibilities that the coproduction of goods and services may have for resource-constrained rural government settings. Mary Mangai uses the examples of Nigeria and Ghana to illustrate what is needed for governments to actively engage their citizens in increasing access and the quality of services. She makes specific policy recommendations to encourage the South African Government towards considering coproduction as a viable option for increased service delivery.

As a developmental state, South Africa has committed itself to addressing the political, social and economic challenges it faces. Our former President, Nelson Mandela, so aptly commented that “No country can really develop, unless its citizens are educated”. As in the Faculty, the School of Public Management and Administration makes an earnest effort towards the education and empowerment of all our people. This book offers a reflection on how 25 years have shaped and contributed to the teaching of a discipline which affects the daily lives of each and every citizen. On behalf of the Faculty, I wish to congratulate the School on this milestone in its history. We look forward to the academic contributions that the School of Public Management and Administration will continue to produce in the years to come.

Elsabé Loots

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University of Pretoria, South Africa.

Introductory Remarks

What is the current state of Public Administration in South Africa, how has it developed during the last 25 years, and in which direction should it develop further? This book presents analyses, reflections and recommendations from researchers connected to the School of Public Management and Administration of the University of Pretoria. The different chapters in this book give an overview of the most pressing problems facing the South African Government, and through an analysis of the issues, arrive at recommendations seen from the point of view of the researchers in this School.

As such, this book presents analyses on a variety of subjects, such as the structure of the government of RSA, the diversity of its personnel, its financial management, the intergovernmental relations and the position of municipalities therein, the problems in achieving economic growth, and the (in-)effectiveness of its public policies on, amongst others, poverty and food security. Other chapters focus on an international comparison, taking, for instance, the South African membership of the BRICS alliance as a starting point and analysing South African public policies through comparing them to policies in the same area in other BRICS countries, or analysing whether being a member of BRICS makes a difference, with regard to the development of trade.

That begs the question as to whether there is a common theme in the chapters. One such theme is that Public Management and Administration is not a subject which can be understood in a straightforward or simple way, as the public sector is extremely complex. The complexity is seen in the structure of its government and the number of stakeholders involved. It is seen in the dilemmas involved in every policy area, and it is seen in the limited financial and human resources which are always insufficient to meet the goals which the South African Government strives to achieve. It is especially seen in the continuous reforms of the public sector itself and of its policies to alleviate the problems which large parts of the population still face. Two topics linger after reading the chapters.

The first, after reading this book, is that public administration has become a complex affair with many stakeholders involved and many attempts have been made to democratise it internally - the public sector organisation - and to democ-

ratise its external workings - public policies - through creating networks in which all interests and stakeholders involved can have their say before decisions are made. As I read the research presented in the chapters of this book, neither attempt has yet been effected. The main cause seems to be the politicisation of the public sector in South Africa. Firstly, this relates to the politicisation of the public sector organisation internally in which merits, knowledge, skills and experience do not always seem to be decisive in appointing officials to crucial positions. Secondly, this relates to the politicisation of attempts to open up decision-making processes and implementation processes. Although the underlying ideals are admirable – democratisation, effectiveness, efficiency, rationality, and legitimacy – in practice partial interests, personal gain, power-plays, and what is called ‘high-politics’ frustrate the materialisation of those ideals.

The second topic concerns the faulty idea - again primarily of politicians - that by designing and deciding upon new public policies and new organisational structures, problems would almost automatically disappear. This would be the case if the problems were caused by the contents of policies and structures. However, as many a chapter in this book argues, the main and enduring issue in the South African public sector concerns the (non-) implementation of plans and policies. Often, admirable and ambitious goals are set by the government, but equally often, the implementation of the action plans needed to achieve these goals fails for one reason or another.

In this sense the chapters in this book picture the situation in South Africa as similar to the situation in the USA, as already sketched in 1973 by Pressman and Wildavsky in their classic book with the longest subtitle ever, namely ‘Implementation: how great expectations in Washington are dashed in Oakland: or, why it’s amazing that federal programs work at all, this being a saga of the Economic Development Administration as told by two sympathetic observers who seek to build morals on a foundation of ruined hopes’¹. If one replaced Washington with Pretoria, and Oakland with KwaZulu Natal or any other region in South Africa, the problems described in that book are still of the utmost relevance to present day South Africa.

Equally, one could replace the phrase ‘as told by two sympathetic observers’ for this book with ‘as told by sympathetic researchers from the SPMA’ who also seek to build morals on a foundation of ruined hopes. That brings me to my own role in this project. It needs explanation, as I am not part of the staff of the School of Public Management and Administration of the University of Pretoria. In February of 2018, the current director of this School - Prof. Margaret Chitiga-Mabugu, asked me to assist in editing this book to be published on the occasion of the anniversary of 25

1 Pressman, J. L. and Wildavsky, A. 1973. Implementation: How Great Expectations in Washington Are Dashed in Oakland; Or, Why it’s Amazing that Federal Programs Work at All. This being a saga of the Economic Development Administration as told by two sympathetic observers who seek to build morals on a foundation of ruined hopes (Oakland Project). University of California Press.

years of the SPMA. During those 25 years, I had the opportunity to travel frequently through South Africa: partly as a tourist, but mainly to establish cooperation with researchers in Public Administration of many a university.

The remaining experiences are those of a country that is beautiful and of colleagues that have become increasingly good friends. However, the views on the governance of South Africa resulted in increasing worries, although less about the administrative part thereof than about the political part of government.

Their mutual relation reflects the relation between many a tourist and the tour guides in, for instance, the Kruger National Park. When conceiving the tour guides as public officials and the tourists as politicians, one obtains an allegory of the issue at stake. The tour guide is, of course, superior in knowledge and skills to the customer, as (s)he is thoroughly educated. However, the tourist is the customer. During tours (compare: the development of South Africa) there are always tourists (compare: politicians) who want to show off and do not have any hesitation to tell the guides (compare: public officials) where to go, what is seen, and what is particular about the scenery (compare: the notions about issues at stake in government and policy areas) without listening to what is feasible. Many a tourist (compare: politician) only thinks in terms of desirables, has unrealistic goals – seeing the Big Five, preferably simultaneously and immediately – and tends to blame it on the quality of the guides if the species don't show up to have their picture taken.

In a similar way, one can see notions and ideas evolving, and policies being decided upon in Parliament about what to see, what to do, and who should be doing it, without reflection on the feasibility thereof, or on the questions of who should be doing what, what it needs in terms of human and financial resources, and especially about the central question in Public Administration, *how* the goals could be accomplished.

This book does contain reflections on that 'how' question. They may not be the final answers, but the chapters do give an overview of the issues at stake, their causes and consequences, and about the question 'what could be done to improve the situation?'

Michiel S. de Vries

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Chapter 1

Public Service Reform: A 25 Year Critique¹

Christopher Thornhill²

Abstract

The principal objective of this chapter is to establish the extent to which the government, democratically elected in 1994, succeeded after 24 years in reforming the system of government to achieve the goals which it set for itself during the election campaign. The chapter comprises an analysis of official documents reflecting the various policies and programmes adopted during the period 1994–2018. Literature expounding different views on reform and transformation is also integrated. The transformation of the South African state required new and innovative policies and demanded the restructuring of the executive machinery of the state in the national, provincial and local spheres of government. A new personnel corps had to be established to develop new policy initiatives for a developmental South Africa complying with a new set of human rights as contained in Section 2 of the Constitution, 1996. This chapter points out that the evolving issues are not so much seen in the development of new policies and organisational structures, but rather in the difficulties in the efficient and effective implementation thereof.

Key words

Auditor-General, Constitution, reform, public service, Public Protector, transformation, implementation

1.1 Introduction

The democratic elections held on 27–28 April 1994 heralded in a political and administrative system to replace the former racially-based dispensation. The adoption

1 This chapter takes note of the inaugural lecture by the author at assuming the Chair in the School of Public Management and Administration in January 1993 (ISBN 0-86979-977-0).

2 Emeritus Professor, School of Public Management and Administration, University of Pretoria, Pretoria, South Africa.

of the interim Constitution of 1993 served as the framework for the reform required to obtain a just and equitable dispensation. This Act accommodated the views of all the negotiating parties and acknowledged 33 constitutional principles for the creation of a just and equitable society. The Constitution of the Republic of South Africa was adopted by the Constitutional Assembly in 1996 to serve as the supreme law (Section 2) of the country. This Constitution, 1996, honoured the constitutional principles contained in the interim Constitution, laying the foundation for a democratic state.

Although the new constitutional system was introduced on 29 April 1994, all previous laws remained in force until amended. Thus legal certainty was ensured. This legal principle required government to pass a multitude of acts of parliament (700 in the period 1994–2004) to eradicate the injustices of the past and ensure that all public services would be rendered on an equitable basis to all inhabitants (including the former six self-governing territories and four independent “states”). This legal requirement had a profound effect on the rate of policy change, as all policies must acknowledge the relevant acts passed since unification in 1910 and in some cases the laws passed by the former homelands, as well as the former provinces’ ordinances.

This chapter aims first to identify the characteristics of the pre-1994 political system, which necessitated reform and transformation. Subsequently, a brief overview will be provided of the policies and practices adopted by government immediately after the first democratic elections, in an effort to create a representative public service with the required capacity to generate and give effect to innovative policies, to improve the living conditions of all South Africans in an equitable manner. The chapter will then investigate the crucial factors which played a role in the government’s efforts to create a public service with the capacity to honour the rights in the Bill of Rights contained in the Constitution, 1996. The extent to which the state succeeded in implementing its new policies efficiently and effectively after a quarter century of democracy will be evaluated, to illustrate the extent to which transformation has succeeded in providing efficient and effective service delivery during a period of continuous and sometimes disjointed policy and structural changes.

Attention is firstly devoted to the state of the social, political and administrative systems that existed. Secondly, the immediate effects of the transition to a democratic system of government will be considered. The focus will then fall on the performance of the latter system after almost a quarter century since its inception. However, attention will specifically be focused on the administrative and managerial practices currently in operation to determine their capacity to give effect to selected government policies representing major reform issues.

1.2 Democratic government

Before embarking on a discussion of the transformation and reform policies and executive actions in post-apartheid South Africa, a brief reference to democracy is required. This will set the scene for the principles of the governmental system in the country since 1994. The classic definition of democracy is: government by the people for the people and of the people (Wiechers and Bredenkamp, 1996, p. 12). However, in contemporary states the interpretation of this definition has been modernised to accommodate large geographical areas with large populations e.g. South Africa with 56m inhabitants, Kenya with 44m, Nigeria with 193m and the Democratic Republic of Congo with 82m (Thornhill, 2017(b), p. 9), in lieu of “the people” all governing.

Most of the 54 African states were formerly colonies of European regimes e.g. Great Britain in the case of South Africa, France in the case of Côte d’Ivoire and Portugal in the case of Mozambique (Thornhill, 1992, p. 6). The colonising countries introduced their respective governmental systems in the colonies. Since the late 1950s the African states slowly began to become politically independent, with Ghana being the first to gain its independence in 1957 (Mangai, 2017, p. 37). Over a period of several decades, the other African countries followed suit. Although South Africa was technically an autonomous state since unification in 1910, it was a restricted democracy, as voting was limited to White citizens only (Venter and Landsberg, 1998, p. 10). True democratic government only became a reality after the elections of April 1994. This required the newly elected government to reconsider all existing policies and reform all existing public services, to ensure equitable services to every member of society irrespective of race, colour, ethnic or social origin, language or birth, sex, gender, culture, sexual orientation, pregnancy, marital status, age, disability, religion, belief or conscience (South Africa, 1996, Section 9[3]).

In addition, in South Africa, electoral systems have been developed to elect representatives to represent “the people”. Executive structures have been established to give effect to the decisions of elected representatives meeting in a legislature such as Parliament in South Africa (South Africa, 1996, Section 42). In most cases, the representatives are elected on the basis of party political affiliations (South Africa, 1996, Section 46[1][d]). At the first democratic elections in 1994, Parliament, as the national sphere’s legislature of the African National Congress (ANC) alliance, which included the South African Communist Party (SACP), the Congress of South African Trade Unions (COSATU) and various smaller parties such as the Pan African Congress (PAC) (Thornhill in Baker, 2002, p. 229), formed the government which is still in power.

During the fifth annual conference of the Electoral Institute for Sustainable Democracy in South Africa (EISA, 2011) it was argued that the principle of demo-

cracy requires well-functioning political parties. They provide the broad guidelines for governmental actions, the value system to be implemented and the bench marks to measure the success or failure of governmental policies. The following remarks in the introductory section of the Conference Procedures of the first annual conference of EISA (2006) are relevant to the discussion, viz.

The performance of political parties affects both party systems and the strength and effectiveness of political institutions. As for relations between and amongst political parties, there is a growing trend towards dominant party systems in Africa, which tends to reinforce the dominance of ruling parties, while accentuating the enfeeblement of already fragmented opposition parties characterises inter-party relations in most African countries. This, of course, negatively affects the functioning of representative institutions such as parliament and local councils (EISA, 2006).

It could thus be argued that in the constitutional dispensation the policies and executive actions are dominated by political parties. In practice, it is the ruling party (or alliance as is the case in South Africa since 1994). Therefore the political policies and executive actions would be in accordance with those of the ANC Alliance, whose value system and goals influence the political process and executive actions. Should these parties not focus their efforts on achieving set goals, government would fail in its efforts to improve the living conditions of the vulnerable sections of society.

1.3 Constitutional framework

The new constitutional dispensation was developed within the framework of the interim Constitution of the Republic of South Africa, Act 200 of 1993, adopted by the former Parliament and published on 28 January 1994. This Constitution was the result of extensive negotiations, which resulted in a rather cumbersome document, as it had to satisfy the views of the negotiating structures and their concerns. Although the Act was to be amended by the newly elected political structures, assurance was given that the 33 constitutional principles contained in Schedule 4 of Act 200 of 1993 would be honoured in any new constitution. Although these constitutional principles are not discussed here, it is important to note that they have indeed been incorporated in the final Constitution.

The final Constitution of the Republic of South Africa, 1996 was adopted by the Constitutional Assembly after being certified by the Constitutional Court. It was promulgated on 4 February 1996 and came into effect on 4 February 1997 as the supreme law of the Republic (South Africa, 1996, Section 2). It laid the foundation for all administrative and managerial functions required to give effect to its provisions, stating unequivocally that “law or conduct inconsistent with it (the Constitution)

is invalid and the obligations imposed by it must be fulfilled” (South Africa, 1996). This requirement could thus be used to consider the functioning of the state’s legislative, executive and administrative structures.

Section 195(1) of the Constitution, 1996 is of particular importance in a discussion regarding the current functioning of the machinery of the state. The relevant section contains nine basic values and principles governing public administration. These require that (South Africa, 1996):

- A high standard of professional ethics must be promoted and maintained;
- Efficient, economic and effective use of resources must be promoted;
- Public administration must be development-oriented;
- Services must be provided impartially, fairly, equitably and without bias;
- People’s needs must be responded to, and the public must be encouraged to participate in policy making;
- Public administration must be accountable;
- Transparency must be fostered;
- Good human resource management and career development practices to maximise human potential must be cultivated; and
- Public administration must be broadly representative of the South African people.

It should be obvious that the framers of the Constitution, 1996 envisaged a state in which public administration would promote effective and efficient service delivery to the Republic’s inhabitants. Furthermore, it is clear that the public service was to operate on a non-racial basis, acknowledging the injustices of the past and addressing such matters as far as its composition and functioning are concerned.

1.4 Reform/transformation

Reform implies making changes to something such as an institution or practice to make it better (Oxford South African Concise Dictionary, 2014). Transformation has a more complex meaning implying a marked change in nature, form and appearance (Oxford South African Concise Dictionary, 2014). Considering the South African scene post-1994 democratic elections, it could be argued that some structures have simply been reformed e.g. retaining national government departments as the primary executive institutions; retaining a unitary state structure; continuing with a cabinet governmental system and retaining the concept of state owned enterprises. Although the skeletons of the former system have been retained, they were reformed to accommodate a new political philosophy based on equality, non-racialism and eradicating the injustices of the past.

In a number of instances, transformation was introduced e.g. the three components of the state i.e. national, provincial and local government were transformed into three spheres, which are distinctive, interrelated and inter-dependent. Thus,

the one sphere is not subordinate to the other (South Africa, 1996, Section 40 [1]) as is the case with levels of government, and could operate independently, as long as their policies and actions honour the Constitution, 1996. A major transformation involved the local government sphere as the former system consisting of separate public institutions for the different population groups (classified as White, Indian, Black and Coloured) was abolished through various acts adopted by the elected Parliament after the general elections of April 1994. The total area of the Republic was divided into municipalities and their functions and powers assigned to perform a greater diversity of duties. This transformed local government system consists of 257 municipalities actually serving the total population. It also implies that any public service, whether delivered by a national or provincial structure, is carried out within a municipality's jurisdictional area.

The amalgamation of the 14 public services which existed prior to 1994 (10 independent areas for the former homelands, three own affairs and one national public service) resulted in one consolidated, unified public service. This was probably one of the most significant actions as the transformation had to be completed and legalised in the shortest possible time. In fact, the new Public Service Act, Proclamation 103 of 1994, was signed on 1 June 1994 by the President, as Parliament had not been convened at that stage. This could be viewed as a major achievement, as the new government succeeded in promulgating legislation within a month after the inauguration of the President on 10 May 1994. It should be noted that the relevant Act had to be amended by several acts since its initial publication, as new developments in other areas required amendments from time to time, but the original Act provided legal security for officials working within the public service.

The transition from a racially-based country to a democratised governmental system contains some inherent dangers. One of the dangers is that insufficient research can be undertaken before a new system is introduced (Thornhill, 1994, p. 5). In their research on behalf of the United Nations, Mutahaba et al. (1993, p. 13) found that few African countries succeeded, after independence, to reorient their systems to accommodate their cultural proclivities. It was accepted by the respective governments that the cultural requirements would simply re-adjust to meet the demands of the new administrative system. However, reform and transformation are not events, but processes, involving continuous adjustments as new challenges arise during the implementation. Even the South African Constitution, 1996 has been amended 17 times since its adoption, with the last amendment adopted in 2012.

For the purposes of this chapter the commencement of the major governmental reform and transformation processes of the South African state could be considered as the date that Parliament met after the general elections of 27/28 April 1994 (Thornhill, 1994, p. 4–5). It can be seen as the first step in transforming or reforming the former system of government and administration. It should be emphasised that a system is the composite of a number of interrelated elements with

the Constitution of 1996 enabling and restricting the policies, structures, financial arrangements, human resource appointments and accountability measures which have evolved since 1994.

Developmental states, such as South Africa, endeavour to provide services to all inhabitants on an equitable basis, whilst improving the general standard of life. However, Andrews et al. (2017, p. 11) found that the ideals are not always attained. Only a limited number of historically developing countries have established a strong capability to perform successfully. Nearly 50 % of the historically developing countries show a slow capability, while nearly 75 % even experienced a negative growth. These findings are important to bear in mind when evaluating the progress South Africa has made since 1994, as the country could also be classified as a developing country.

The reform (and in some cases transformation) of a system of government involves a complex process requiring the commitment of both political and administrative structures. In the case of South Africa, the political system changed dramatically on 29 April 1994. However, the administrative system evolved over a much longer period. Selected changes, which have taken place during the past 24 years, serve as examples of the changes implemented, some more successful than others, and are discussed in the following paragraphs.

1.5 Administrative system

A country's administrative system is a composite of functions, including policy frameworks, organisational structures, appointed officials in all the organs of state (South Africa, 1996, Section 239), prescribed procedures to be followed to implement policies, financial arrangements including budgeting and supply chain management and control measures to ensure public accountability for all public sector actions or omissions. Attention will be devoted to only the major policy reforms and structural adjustments, to illustrate the extent of the constitutional changes since 1994.

1.5.1 Policies

Policy making in a democratic South Africa required a totally new approach. Whereas the former system followed a top down approach, the Constitution, 1996 demanded an all-inclusive and participatory approach to policy making. Parliament was required to pass a plethora of laws to eradicate the racially-based laws of the past and to introduce new policies to cater for the new fully integrated state, accommodating the former four so-called independent states, six self-governing areas, four former provinces and the three "own affairs" administrations, as well as to pass ± 700 pieces of legislation in the first 10 years of its existence. Even after 24 years of democracy, government still experiences challenges in implementing policies. This

was lamented by the Speaker during the tabling of Parliament's budget vote on 22 May 2018 by stating that: "Despite very good legislation, implementation remains our Achilles heel. We must accept that failure in service delivery does not just reflect badly on the part of our government, but also speaks to the rigour of oversight and accountability measures" (Mbete, 2018). The following section will focus on three specific policy areas in which reform was evident and is still continuous, namely economic development, education and social welfare.

The need for innovative policies was realised and various initiatives were launched. Regarding economic development, one of the first efforts was the White Paper on the Reconstruction and Development Programme (RDP) published in 1994 (African National Congress, 1994). Although it is termed a programme, it served as a policy guideline and was assigned to one department to implement. However, as it became clear that other departments considered this RDP as the duty of that one department, little effort was made by other departments to give effect to the programme. The particular department was subsequently abolished and the programme assigned to departments according to their respective areas of operation as it pertained to the RDP (African National Congress, 1994).

The RDP was followed by the Growth, Employment and Redistribution (GEAR) Policy (South African History Online, 2014), which in turn was succeeded by the Accelerated and Shared Growth Initiative South Africa (AsgiSA). This broad policy framework was aimed at increasing South Africa's capacity to meet the diverse challenges in the areas of inter alia: infrastructure, education and skills development, elimination of the second economy and other sector specific strategies (South African History Online, 2014). Note should also be taken of the adoption of the New Partnership for Africa's Development (NEPAD) (South Africa Yearbook, 2006, p.44) as this had a significant effect on, in particular, economic policy in South Africa.

The above mentioned policies were followed by numerous other policies aimed at development, culminating in the current National Development Plan (NDP) (National Planning Commission (NPC), 2011, p.59–61) identifying the following critical success factors:

- Focussed leadership;
- A plan for all;
- Institutional capability;
- Resource mobilisation and agreement on trade-offs;
- Sequencing and willingness to prioritise; and
- Clarity on responsibility.

For each of those factors, objectives and actions are identified (NPC, 2011, p.64). The long-term plan or rather policy framework has been promoted. However, it seems as though the state's capacity to reach the vision 2030 may not be achieved.

vable, as the current economic growth rate is still less than 2 % and unemployment is at 26 % (BusinessTech, 2018). Nevertheless, government has committed itself to a long-term vision of a prosperous South Africa.

In the case of education, the Outcome Based Education (OBE) approach was adopted to transform the primary and secondary education system. This policy did not yield the expected results due to a lack of capacity in the majority of schools (Mahlabegoane, 2013, p. 106). Thereafter, Curriculum 2000 and later Curriculum 2005 were adopted, which were replaced by the current National Curriculum Assessment Policy Statements (CAPS) (Mahlabegoane, 2013, p. 106). Various acts were also passed to give effect to the different policies on education e.g. the South African Qualifications Authority Act, 58 of 1995, the National Education Policy Act, 27 of 1996, and the Adult Basic Education and Training Act, 52 of 2000. The adoption of these policies serves as examples of the effects of hasty action to reform, without considering, inter alia, the human resource capacity of the educators, the lack of funding to implement, and the lack of proper monitoring and evaluation of the execution, which could ultimately lead to the failure of a policy. When a policy is implemented, such as in the case of education, it has an effect on eight years of education for primary school learners and six years for secondary school learners. If such an educational policy is simply scrapped after e.g. four years, there may be serious consequences for the learners and the educators due to inconsistencies in the contents of successive curricula.

One of the characteristics of many African states is the presence of poverty and lack of basic services and facilities, such as housing and health care, as noted in the housing need and the overcrowding of hospitals reported in various newspaper reports and statements by the Minister of Health on 5 June 2018 (Motsoaledi, 2018, p. 4). After democratisation in South Africa, an urgent need was identified to improve the social welfare of the poor and underprivileged population, who were deprived of equal access to such services due to policies which existed prior to 1994 and which resulted in unequal access to services by all population groups. Therefore, government embarked on extensive policy changes to improve the living conditions of large sections of society. Government established various committees, e.g. the Lund Committee in 1996 on child and family support, and the Taylor Commission in 2002 (Mthethwa, 2017, p. 4). The South African Social Security Agency (SASSA) was established to give effect to the policies concerning the improvement of the living conditions of the vulnerable sections of society through various grants. The basic policy framework was contained in the Social Assistance Act, 13 of 2004, which provided for various grants e.g. the Old Age Grant; the War Veterans Grant; the Disability Grant; Grant-in-Aid; the Foster Child Grant; the Care Dependency Grant; the Child Support Grant as well as a Relief of Distress Grant for exceptional cases of unforeseen short term distress. Although the overall aim of the policy is a lofty one, various challenges arose with the implementation due to the need to establish appropriate structures to implement the grant programmes, allocating funds

in the annual budget, and finding effective service providers to pay the grants as required in the policies by the Department of Social Development.

A challenge related to the rapid change in the structure of the public service was experienced in the social welfare policies of government i.e. the possible discrepancy between the expectations of the policy makers and the capacity and value framework of the implementing public officials at the lower levels (Mthethwa, 2017, p.71). Currently 16,8m people benefit from the various grants (Mthethwa, 2017, p. 169) (30 % of the population). An amount of R 180 billion has been provided for these benefits in the 2017/2018 financial year (National Treasury, 2018). The implication of the effects of the social commitment of the government in the post-1994 South Africa is obvious. Available funds are reallocated and priorities are reassigned in accordance with current political weighting of demands on the fiscus. However, serious challenges are experienced in the payment of the different grants due to the incapacity of SASSA and the lack of a credible private service provider (Department of Social Development, 2018).

Taking the examples referred to above into consideration, it could be argued that government has adopted various policies to eradicate the discrepancies in policies of the former government. However, the different policies do not achieve the desired results due to various constraints, such as a lack of consistency in policies to allow implementation to be streamlined and also lack of experience in dealing with an ever increasing population and rising expectations of urban dwellers (Thornhill, 2017, p. 4).

1.5.2 Executive structures

An organisational structure could, in a particular sense, be compared to a living organism. It changes over a period of time like a caterpillar transforming into a pupa from which a butterfly emerges. Each of these organisms has its own specific functions, characteristics and appearance. Similarly, the organisational structure of a state is continuously exposed to change, as policies change due to regime change. One of the dangers in this regard is the likelihood of too rapid changes being proposed without the personnel corps or financial resources being able to assimilate the change.

The organisational structure of a state reflects its political, economic, social and geographical characteristics. Whorton and Worthley (1981, p.358) maintain that the public service reveals a paradox. On the one hand, structures have to be responsive to the high ideals and aspirations of the public service through innovative actions (such as the former RDP and the current NDP). On the other hand, representing a more negative force, is the usual public service requirement of accountability, through reporting and operating in a political environment. Whorton and Worthley (1981, p. 358) argue that public managers face a “schizophrenic existence”, as they have to promote the general good, but have to follow the prescribed

rule of law requiring accountability for all actions despite demands for quick fixes to existing deficiencies.

A critical requirement for effective and efficient service delivery is an effective organisational structure to take responsibility for each of the functions assigned to the state. The creation of a macro organisational structure vests in the head of state. National departments are created to implement government's policies. The President as head of state decides which policies justify a departmental structure due to its importance. The departmental divisions consisted of 29 national sphere departments in 2005/06 (South Africa Yearbook, 2006, p.345). During the term of President Zuma the number of departments increased to 39 in 2018 (Govpage, 2018). To this should be added the 103 provincial departments, to be able to gauge the effects of the executive structures implementing national and provincial policies (Provincial Government of South Africa, 2018). This number of executive institutions implies a too complex administrative machinery to obtain co-ordination, and to prevent overlaps and challenges to delineate the areas of responsibility of each department. The attendant administrative consequences are found in the number of public servants required to administer and manage those institutions.

Various explanations could be forwarded for the trend observed in the increase in public services in countries after independence/democratisation, including factors such as inefficiency and dysfunctional performance due to fruitless expenditure (Commonwealth Fund for Technical Co-operation, 1992, p.21). The public service increased from 1.043m in 2005/06 (South Africa Yearbook, 2006, p.356) to \pm 1.2 million public servants in 2018. In the public service, 456 000 officials are involved in national sphere departments, 1 120 000 in the provincial administrations and 311 000 in the local sphere of government, with another 275 000 in state-owned enterprises and related structures. This gives credence to Mutahaba et al.'s (1993, p.321) view that countries tend to increase their public services disproportionate to economic development (in South Africa the economic growth rate is currently estimated at less than 2 %).

It was assumed in 1994 that South Africa had a stable experienced personnel corps which would be able to administer the transition from the apartheid state to a fully democratic governmental system (Thornhill, 1994, p.15). However, due to the early retirement of a large portion of senior officials, in order to provide for the reform of the public service, a lack of experience and a commensurate knowledge base were experienced (Mafunisa Consulting, 2018, p.12). It was acknowledged by government in the 2005/06 year that serious capacity constraints developed since 1994 due to "significant personnel mobility" which has brought in new skills, but has also resulted in "the loss of experience and institutional memory, especially regarding civil servants recruited after 1994" (South Africa Yearbook, 2006, p.53–54). This situation resulted in significant capacity constraints experienced in implementing policies. This was especially the case in

municipalities due to the increase in the functions and powers assigned to that sphere in terms of Schedules 4B and 5B of the Constitution, 1996. Even the nine provinces experienced challenges, as they were assigned numerous functions in terms of Schedules 4A and 5A of the Constitution, 1996, but were almost totally dependent on an allocation ($\pm 96\%$) of their funds from National Treasury in accordance with the annual Division of Revenue Act passed by Parliament. It could be argued that numerous new structures had to be established to transform the public service to provide equitable services to every individual as indicated in Section 9 of the Bill of Rights (Constitution, 1996). However, it is difficult to justify the large number of government departments as it could create coordination challenges to prevent overlapping of functions and competing for “turf”.

One of the requirements of the public service is that its public administration should be accountable (Section 195, Constitution, 1996). To honour this principle, South Africa has created a number of constitutional institutions to perform checks and balances functions. The most significant structures will be highlighted in the following sections.

1.6 Constitutional checks and balances

The most significant transformation in the public service since 1994 could be ascribed to the establishment of the state institutions supporting constitutional democracy, established in terms of Section 181, Chapter 9 of the Constitution, 1996. These institutions are (South Africa, 1996):

- The Public Protector;
- The South African Human Rights Commission;
- The Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities;
- The Commission for Gender Equality;
- The Auditor-General; and
- The Electoral Commission.

These institutions will not be discussed in detail. Attention will only be devoted to the Public Protector and the Auditor-General, as a result of their crucial involvement in the administration of the public sector. However, the other four constitutional institutions each play a significant role in ensuring that the Bill of Rights as contained in the Constitution, 1996, is honoured in all government action.

1.6.1 Public Protector

The Public Protector was established in terms of the Public Protector Act, 23 of 1994. The President appoints a Public Protector for a non-renewable term of seven years on the advice of a committee appointed by the National Assembly for that specific purpose (South Africa, 1994, Section 1 and 2). The Office of the Public Protec-

tor is a juristic person and shall not be liable “in respect of anything reflected in any report, finding, point of view or recommendation made or expressed in good faith submitted to Parliament or made known in terms of this Act (23 of 1994) or the Constitution” (South Africa, 1994, Section 5). The Public Protector may investigate on its own initiative or on the receipt of a complaint, any alleged maladministration regarding the affairs of government, abuse or unjustifiable exercise of power or unfair, capricious, discourteous or other improper conduct, or any improper or dishonest act or omission or offences as identified in the Act. The Act assigns the Public Protector extensive power to investigate, at his/her discretion, resolve a dispute, or rectify an act or omission by mediation, conciliation or negotiation; advising where necessary on any complainant; or by any other means which may be expedient in the circumstances (South Africa, 1994, Section 6[43][b]). Thus, the Public Protector may even take remedial action (South Africa, 1996, Section 182[1]). This implies that the Public Protector could require a public institution to act in a particular manner should any misdemeanour be proven.

The success of the Public Protector is exemplified by the following figures for only one year (2010) in which the Public Protector received a total of 16 251 complaints and managed to settle 14 148 of the complaints. (Public Protector, 2010, p. 7). During the term of office of the former Public Protector, Advocate Thuli Madonsela, more than 158 reports were published. Perhaps one of the most contentious was the State Capture Report on the alleged improper and unethical conduct by the President and other state functionaries relating to alleged improper relationships and involvement of the Gupta family in the removal and appointment of ministers and directors of state-owned enterprises resulting in improper and possibly corrupt award of state contracts and benefits to the Gupta family’s businesses (Public Protector, 2017). The contribution of this Chapter 9 institution in the establishment of an independent structure to report on any suspected maladministration or other misdemeanour could be viewed as one of the major transformation successes since 1994. However, it should be mentioned that the integrity of the occupant of the post determines its success. The first Public Protector did, in fact, add little to the status of the post due to the limited and insignificant cases investigated. The current Public Protector (Advocate Busisiwe Mkhwebane) has elicited heavy criticism with arguments that some reports were incomplete and that not all possible persons involved had been taken into account, e.g. the Vrede Integrated Dairy Project Report by the Public Protector into allegations of maladministration against the Free State Department of Agriculture. In a comparable matter, the High Court found that “the Public Protector does not understand her constitutional duty and was biased in her report on an acquisition by a unit of Barclays Africa Group Ltd. more than 20 years ago”. The 2017 report stated that Barclays Africa’s Absa owed the state more than R 1 billion after it unduly benefited from government support when it bought Bankorp from Sanlam Ltd. after the South African Reserve Bank helped to keep the lender afloat in the days before apartheid ended. The Public Protector also

proposed changing the central bank's inflation-targeting mandate, a bid scrapped by the High Court in August. "The remedial action is unlawful and there is a reasonable apprehension of bias", the Pretoria High Court said in a judgment which set aside the Public Protector's (Busisiwe Mkhwebane's) report. "It transpired that the Public Protector does not fully understand her constitutional duty to be impartial and to perform her functions without fear, favour or prejudice". This statement supports the view that the Public Protector could "fail in fulfilling the role of an independent guardian of the ethical and moral standards of society if the functions are not performed as intended in the Constitution, 1996 and in Act 23 of 1994" (North Gauteng High Court, 2017).

1.6.2 Auditor-General

The Auditor-General (AG) is appointed in terms of Section 188 of the Constitution, 1996, for a non-renewable term of between five and seven years (South Africa, 1996, Section 189). The Public Audit Act, 25 of 2004 gives effect to the constitutional provisions assigning the Auditor-General the supreme auditing functions in the public sector (South Africa, 2004, Section 2[a]). The Auditor-General has full legal capacity, is independent and is only subject to the Constitution, 1996 and the law, as well as its constituent Act. However, while the Public Protector may take corrective action, the Auditor-General may only advise the National Assembly. The result is that in cases where public institutions do not act in accordance with the findings of the Auditor-General, no further action can be undertaken. Only the National Assembly, usually acting on the advice of the Standing Committee on Public Accounts, could call an accounting officer to account. This is a serious omission in the powers of the Auditor-General, as it has been found that no action is taken by some accounting officers when the Auditor-General has reported irregular, wasteful or unauthorised expenditure (Auditor-General, 2017). Draft legislation was introduced in May 2018 to assign powers to the Auditor-General to refer a matter to court, should an accounting officer fail to give effect to a negative finding contained in its report (Pretoria News, 2018, p. 2).

The following general statement by the Auditor-General (2017, p. 12) is significant in this regard:

In order to demonstrate the importance of accountability for government spending and the impact of poor financial and performance management on the delivery of key programmes of government, we include our findings on the management and delivery of five key programmes included in the estimates of national expenditure (ENE) for 2016–17, namely water infrastructure development, the expanded public works programme, school infrastructure, food security and agrarian reform, and housing development finance, which combined had a budget of R58.5 billion.

The programmes either did not achieve the targets highlighted in the ENE or did not report on whether targets had been achieved, even though the allocated budgets had been spent. Where grants were given to provincial departments, the spending and achievement of targets for some of the programmes were not adequately monitored. Accounting for the expenditure, liabilities and assets related to the programmes was not always credible and resulted in qualifications in the financial statements of departments, especially where the departments used implementing agents to manage projects. Irregularities in procurement processes and inadequate contract management were common.

The dilemma of the Auditor-General's inability to take corrective action could be deduced from the following remarks: "Since 2013–14, there has been a regression in the overall financial health of departments. The 46 % of departments with good financial health represents only 36 % of departmental budgets, and the number of departments in financial difficulty almost doubled over the four-year period. Overall, there is an emerging trend of departments failing to manage their finances properly. Some departments did not pay their creditors when their budgets started running out and thereby avoided unauthorised expenditure, but the payments then happened in the following year" (Auditor-General, 2017, p. 16).

The Auditor-General reported in the 2016/17 financial year, according to the Public Finance Management Act, 1 of 1999, that almost two-thirds of the auditees "materially did not comply with key legislation. The lapse in oversight and controls in the area of compliance was evident in a number of areas, including SCM (supply chain management) which led to increased irregular expenditure. Irregular expenditure had increased by 55 % since the previous year to R45.6 billion" (Auditor-General, 2017, p. 14).

It could be argued that public institutions fail to comply with the Public Finance Management Act, 1 of 1999, thereby compromising government's efforts to provide effective and efficient services as identified in its policy statements and stated in the relevant policy documents e.g. legislation. This has a major negative impact on the state's ability to fulfil its reform and transformation goals.

1.7 Conclusion

The chapter aimed at establishing and evaluating whether the democratically elected government succeeded in giving effect to the policies it envisaged in 1994. Attention was devoted to selected policies, which illustrated that real reform did indeed take place; that developmentally-oriented policies achieved their goals; that education policies contributed to an increase in educational standards; and that the welfare of society was improved through its social grants policies. However, the degree

of efficiency and effectiveness does not prove the real achievement of goals. It was deduced that in some instances the plethora of policies adopted in quick succession did not take the capacity of the public service to implement the policies sufficiently into account. This resulted in some crucial policies not achieving the goals set by the democratically elected government during the period 1994 to 2018. The establishment of constitutional structures addressed the role of the Public Protector and the Auditor-General as independent institutions specifically aimed at promoting accountable government. Reviewing the transformation of structures such as local government and the adoption of various policies during the past 24 years, major changes could be identified. Firstly the Constitution, 1996 is the supreme law. This inter alia guarantees equitable services to all inhabitants of South Africa. However, it also became obvious that the rapid adoption of successive policies on services, such as education and planning, were not always conducive to effective policy implementation. In the earlier expose of 1994 it was envisaged that the public service would be able to implement the new system. Experience has shown that the county still faces a number of challenges to achieve its lofty goals of high quality services to everyone.

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Chapter 2

Framing the Big Questions Related to Feminism, Gender and the Study of Public Administration

Gerda van Dijk¹

Abstract

The chapter supports the principle that all public organisations are inherently gendered and that gender manifests through organisational structures, processes and relationships. The chapter focuses on asking specific questions related to epistemology, ontology and methodology, to determine the influence of feminist thinking and gender specific theoretical positions on the study of P(p)ublic A(a)dministration. The purpose of the chapter is to identify particular considerations derived from the nature, being and study of feminism and gender, which may shape a more inclusive understanding of the discipline and its own epistemological, ontological and methodological concerns.

The chapter reveals that there is not a single feminist perspective specifically appropriate for the study of the discipline, but that the context within which the practice manifests, namely the public sector, is a particularly useful context for the study of the gendered public organisation. While government is seen to be an enabler of social change, the public sector organisation is in the unique position to influence and shape the manner in which gender is practised. Ontologically, understanding the influence of power and categorising gender as a static binary relationship have both epistemological and methodological consequences. The chapter also describes that a particular feminist methodology is not evident and through the presentation of categories that depict the nature of gender research, an attempt towards synthesis is made.

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Key words

Feminism, feminist theories, gender, gender theory, women, epistemology, ontology, methodology, Public Administration, public administration

2.1 Introduction

Ever since Dahl (1947) attempted to frame the basic problems in proclaiming Public Administration as a science, authors have asked ‘big questions’ or identified ‘wicked problems’ in an attempt to delineate the study’s locus and focus. In promoting the Science of Public Administration, Daneke (1990) argued that while Public Administration could not be equated to the ‘hard sciences’ with positivism as its epistemological foundation, it nevertheless should conform to the rigorous inquiry methods within a more adaptive epistemological framework, if the study is not to be “relegated to the lower levels of intellectual endeavour” (Daneke, 1990, p. 383). Behn (1995) followed up on this by asking what the big questions should be for Public Management in the face of paradigmatic development following Public Administration and New Public Administration. Kirlin (1996) responded by considering the big questions related to Public Administration in a democracy, while Denhardt (2001) articulated the big questions of Public Administration education. Van der Waldt (2012) then reflected on the big five questions influencing Public Administration’s curriculum design in South Africa (Van der Waldt, 2012). Focusing on ‘wicked problems’, Head (2008) and Head and Alford (2015) emphasised how wicked problems associated with complexity in public policy management influence public administration practice. While asking ‘big questions’ seems to contribute to framing the scope and theory of the study, none of the above scholars have made any reference to the way feminism and gender shaped the understanding and practice of P(p)ublic A(a)dministration. This is despite it being a central theme in watershed conferences such as the Minnowbrook Conference II (1988), with its emphasis on social equity as it relates to gender and race, and the Mount Grace I Conference (2001), which produced specific resolutions that included the need for the discipline to address the gender and racial imbalances brought on by the South African apartheid government (Cameron and Milne, 2009, p. 383, 386).

This chapter investigates the manner in which the understanding of feminism and gender has influenced the study and practice of P(p)ublic A(a)dministration by using the same methodology in posing the big questions. It comprises a review of the feminist and gender literature and research produced within the social sciences, and particularly within Public Administration, in an attempt to contribute to answering the following questions:

- What should be the epistemological considerations in constructing an inclusive theoretical foundation for P(p)ublic A(a)dministration?

- How will this inclusive theoretical foundation influence P(p)ublic A(a)dministration's ontological position?
- What should the methodological considerations be in promoting an inclusive approach to the study of P(p)ublic A(a)dministration?

The following section will look at the current state of feminist literature in Public Administration and propose three big questions to influence future discourse.

2.2 Literature review

In her seminal work entitled *Gender Images in Public Administration: Legitimacy and the Administrative State*, Camilla Stivers (1995) lamented that when considering gender issues in Public Administration the comment is often made that things have changed and that gender equality is the norm. In the second edition of the book, Stivers (2002, p. vii) observed that maybe things have changed with more women being appointed to senior management positions, but argues that women continue to struggle with their gender identity in public organisations where notions of masculinity underscore the acceptable organisational culture and behaviour. It is important to note here that sex is biological in nature, while gender is socially constructed and manifests in distinctions between what is considered to be masculine and feminine (McGinn and Patterson, 2005, p. 931). The implication of these binary definitions of sex and sex roles is that sex differences are seen to be gender differences, whereas gender differences are socially produced and may not be attributed to a specific sex. This was also specifically evident in *Bureau Men Settlement Women: Constructing Public Administration in the Progressive Era* (2000) in which Stivers' research resulted in a binary depiction of bureau men (as those represented and responsible for public policy) and settlement women (as those under-represented while being responsible for navigating public policy to achieve social and economic development). The strength of the social expectation that a specific sex of the body would match the gender and social persona of the individual (McGinn and Patterson, 2005, p. 931) has had far-reaching consequences for the way in which feminism and gender have been included (or not) in the fundamental questions around the study of Public Administration. The following Table depicts the manner in which bureau men and settlement women (reform women) have different positions regarding the practice of public administration, whilst also acknowledging the influence that reform women have had on the practice (if unrecognised).

While Stivers has not been a lone voice in attempting to constructively engage with the influence of feminism and gender in Public Administration, she has been one of the more prominent scholars in trying to find a useable past for the discipline in an effort to offer a more complete, gender-integrated picture of its future (Stivers, 1995, p. 522). Stivers (2000) was specifically instrumental in pointing out how women developed their own notions of navigating urban problems and there-

by contributing to improving municipal government service delivery by tempering the effects of bossism and the management of public agencies, whilst focusing on building relationships with citizens and professionalising their practice. Ultimately, Stivers (2000) revealed that gender is a primary element in the construction of P(p)ublic A(a)dministration.

Table 2.1
Bureau men and reform women

	Bureau men	Reform women
Focus in practice of public administration	Focus on structural reforms Focus on the system Focus on new systems	Focus on improved living conditions Focus on caring Focus on new programmes
Favourite administrative recommendations	Systematise (budgeting, oversight) Centralise (executive control) Neutralise (politics-administrative dichotomy)	Humanise processes Link agencies to people Use discretionary judgment (no politics/administrative dichotomy)

Source: Adapted from Stivers (2000, p. 16)

The question may be asked as to why gender is such a negated element in the construction of the discipline's theory and practice. Benschop and Doorewaard (1998, p. 787) argued that this is due to the 'gender sub-text', which is defined as "the concealed processes subtly and latently (re)producing gender distinctions". Kanter (1977) was the first to describe how gender manifests as a product of structural conditions, such as a lack of opportunities, a lack of structural power and the unequal representation of women in organisations. Smith (1987) introduced the concept of a gender subtext with its specific emphasis on unequal power relations in the manner in which society is structured, organised and organisations are, thus, managed, while Acker (1992) articulated the four sets of organisational arrangements or gendering practices manifesting in organisations, which evolve through:

- Structural arrangements, which comprise conscious processes that exclude women and minorities from elements in career planning and advancing within the hierarchy;
- Organisational cultural arrangements, which implicitly and explicitly steer, justify and in some instances question gender distinctions or what organisations consider to be normal/acceptable functioning within the organisation;
- Gendering practices, which describe the social interaction between men and women and how organisations deal with sexual behaviour or what it considers to be appropriate sexual behaviour within the organisation; and

- Gendering processes, which concern the identity of men and women in organisations and their acting in a gender appropriate manner i.e. women acting in a feminine manner and men acting in a masculine manner.

McGinn and Patterson (2005, p.934–935) commented on the above by observing specific gendered processes in public organisations. They maintained that while public organisations are legislatively prohibited from segregating occupations on the basis of sex, they are charged with ensuring that equality between the sexes is promoted. This is achieved by, for instance, measuring and reporting on the representativity of gender within the workplace. The numbers are then proclaimed to be evidence of a gender-neutral public organisation. On a more fundamental level, gender distinctions manifest in how messages are conveyed about, for instance, the recruitment of the most appropriate candidate for a senior management position. Senior managers are described in recruitment material as needing to be goal-oriented, rational and decisive, which are traits associated with men and masculinity. Subconsciously, the message is sent that this would be the acceptable behaviour for and traits associated with a senior manager. Thus, while public officials work within an organisational setting and their interpersonal relationships are inherently influenced by their gender, acknowledgement should be given to how organisational structures are used to maintain and reproduce what are considered to be acceptable gendered practices. McGinn and Patterson (2005, p. 935) observed that while public organisations are described as needing to be lean, mean and aggressive, they lament that “Organizations are not, for example, routinely described as ‘voluptuous’”.

Whereas the above distinctions have been used as the basis for understanding gendering practices within organisations, there is a growing concern that the binary nature of the conceptions harm, rather than address, the most fundamental concerns of women within society at large, and public organisations, in particular. The argument is made that if gender is considered as simply defined in terms of sex, sex roles or both (Butler, 1990; Acker, 1992), it will remain peripheral in the public discourse where the epistemological, ontological and methodological considerations for the study of a discipline should take place. Acker (1992, p. 563) argues that rather than considering gender studies as a specialised field within a discipline, gender is the “patterning of difference and domination through distinctions between women and men which is integral to many societal processes”. Challenges should be levied against the existing frameworks through which gender is studied and feminism conceptualised. Acker (1992, p. 565) maintains that women and gender roles cannot merely be added to the existing theoretical frameworks for studying a discipline, and that theories which are silent regarding gender should be considered to be fundamentally flawed. As argued by Stivers (2008, p. 367) “Feminists don’t just want a place at the table, we want to join with others in making a new table”.

What should be recognised is that McGinn and Patterson (2005) attempted to provide a typology of categories which reflect how gender has been studied within P(p)ublic A(a)dinistration, as presented in the following Table.

Table 2.2
Typology of categories for studying gender in public administration

Category	Description	Critique
Category 1: Fully an- drocentric public ad- ministration: recognising women's absence	Women are integral in the publication of important Public Administration topics such as public policy formulation, implementation and evaluation.	While women produce the research, the research cannot be considered feminist by proxy and the practice of public administration is considered androcentric where male experience is considered as neutral and female experience would be considered as contrasting a neutrality standpoint.
Category 2: Women exist? Exemplars and exceptions	Articles produced depict women for either their exemplary work in the study of public administration or studies share the traits of these successful women as desirable in furthering women's collective advancement.	Upon closer scrutiny these successful traits mirror those of their male colleagues. Administrative women gained achievements after making concessions, compromises and allowances to overcome the limitations assigned to them by their gender.
Category 3: Women as independent variable	This includes efforts made to ensure that women are included during data collection, often represented as a dichotomous variable during data analysis.	Reporting by sex is often the end result and further discussion of interpretation on the influence of gender on research outcomes is absent.
Category 4: Women as scholarly problem	Three commonalities used to distinguish scholarship in Public Administration: <ul style="list-style-type: none"> • Recognising women and men as separated into two distinct groups but from a 'separate but equal' perspective; • Through the recognition of men and women as different exploring the oppression of women by men in generalised terms; • Women's experiences can now be considered different and valued; and • Recognition of women's experiences as different leads to understanding how to overcome the oppression resulting from the difference. 	Women are presented as a homogenous group: one monolithic group which may lead to inappropriate generalisations. Women's experiences are also presented as problems rather than investigating the larger problems associated with organisations, processes and behaviour. Often, when women are presented as different there is still the androcentric perception that the difference could be ameliorated in some way.

Category 5: Feminism and serious questioning	Work produced here moves to a more complex, contextualised and particularised conception of women and/or their gender. Experiences make room for an intersectional understanding created by variables such as race, social class, ethnicity and sexual orientation. Emphasis is placed on how gender assumptions are interwoven in policies, organisations or systems and the difficulties created for women through these assumptions.	Emphasis is on women and their gendered experiences. Very under-utilised approach in Public Administration research.
Category 6: Multifocal and inclusive public admin- istration	Cumulates in the plural views of both women and men as intersecting, gendered individuals with their own multiple manifestations of identity, challenge and meaning. Pluralist conceptualisations replace dichotomous distinctions (binary reproductions), although femininity and masculinity are still presented on a continuum of humanness.	Inclusion is the hardest to achieve because thinking of both public and private experiences equally is difficult. Inclusion requires a fundamental rethinking of the epistemological assumptions that may be taken for granted.

Source: Adapted from McGinn and Patterson (2005, p.937–940)

Although the first three categories recognise gender through their research, it is only through the last three categories that an attempt is made towards tracking and appreciating the efforts of feminist scholars to the study and practice of P(p)ublic A(a)dministration.

The literature review has highlighted that scholars in Public Administration have recognised the influence which feminism and gender have on the practice and theory of the discipline. While recognition might be evident, it is also clear that no specific inroads have been made to integrate or include feminism and gender theory in Public Administration's own theoretical assumptions and positions. The three big questions posed in the Introduction will be an attempt at suggesting ways through which the fundamental scientific considerations of a discipline should take responsibility for a more inclusive approach. Ruth Schmidt (1983) once commented that “if you claim to teach about the human race, and you don't know anything about half the human race, you really can't claim to teach much about the human race” (McIntosh, 1983, p.23).

2.3 Epistemological feminist and gender considerations in the study of public administration

The epistemological foundation for the study of Public Administration has always been a contested space. Rutgers (2010) and Raadschelders (1999) both main-

tained that the study's epistemology is mainly shaped through two basic factors, namely its accepted (if largely untested) theoretical character as being inter-disciplinary and due to this, the unique and somewhat ambiguous relationship between theory and practice. Rutgers (2010: 2) argued that the search for a disciplinary identity and a coherent theoretical framework is made specifically challenging, because while it may appear relatively easy to determine what public administration is meant to achieve (its practice), its academic field of study is much harder to delineate. Consensus does not exist on whether Public Administration should be considered as only being applied in nature, whether its theoretical basis should be primarily influenced by the management sciences, or whether it should be inherently characterised as a social science since it concerns human activity. These uncertainties support the use of an inter-disciplinary approach to the study of its practice, but recognition should be given that these uncertainties will all have different epistemological consequences. The challenge related to the theory and scope of the study may sometimes be reminiscent of what Dwight Waldo (1968) commented on as "a fateful question" wherein Public Administration "by becoming everything in general, thereby becomes nothing in particular."

While the purpose of this chapter is not to delve into the epistemological requirements for theory construction within the field of study, the following section will specifically look at the considerations that the development of feminist thinking and gender theory have had and could have on the study of Public Administration.

2.3.1 Development of feminist thinking

Being primarily the product of social sciences in general and Sociology in particular, feminist thinking has developed through three specific waves, whilst evidence suggests that the fourth wave, which coincides with a more intersectional approach in theorising about feminism, is particularly relevant. During its first wave, the emphasis was on achieving and promoting equality between the sexes, primarily through the suffragette movement. Equality feminism developed within the context of urban industrialism with the emphasis on liberal and socialists' politics (Dyer, 2016). While equality feminism strived for creating an equal workplace, the irony is that equality feminism promoted the concerns of white, middle class women - thereby not promoting gender equality for all women, but rather laying the foundation for a single homogenous understanding of gender rights and issues related to it (Rampton, 2015). The first wave was a very public wave with little academic substance attached through research or theory.

The second wave aimed at addressing the 'othering of women' in identifying the inherent ontological and epistemological characteristics attached to gender. It focused on building a stronger theoretical foundation through the promotion of specific feminist theoretical perspectives such as standpoint feminism (Hartstock, 1983), radical feminism, liberal feminism (Evans, 1995), black feminism (Collins,

1990) and post-colonial feminism (Mohanty, 2003). The resulting discourse was taken into the academic space and research emerged which allowed for the differentiated understanding of gender across race, class, culture and time. During the second wave, women from post-colonised countries emerged in support of a sisterhood through which the equality agenda was still driven (Rampton, 2015). Equality had, however, come to mean more than representativity and extended to addressing gender practices in workplaces.

The third wave is also known as deconstructive or postmodern feminism, in which specific sub-cultures such as the riot girls (grrls) emerged with a strong anti-capitalist stance on reclaiming their gendered power by defining feminine beauty for themselves as subjects and not as objects of a sexist patriarchy (Rampton, 2015). Stanley and Wise (1993, p.189) contended that the postmodern feminists reject all grand narratives or theories of women's oppression and condition. A more differentiated view emerged and the third wave managed to assimilate black feminism, queer theory (Cohen, 1997) and transgender rights into the main academic discourse, although the concern was that this remained as conversations held in academic halls which never reached or influenced the gendered practices in organisations. The importance of the third wave feminism was that it has achieved the result of ensuring that gender rights are understood to be situational, dynamic and provisional (Dyer, 2016).

During its fourth wave, feminism is now moving out of the academy back into the realm of public discourse with mainstream attention being given to problems such as sexual abuse (#MeToo), rape, violence against women, unequal pay, slut-shaming and the realisation that political and business gains have been minor (women's representation in senior management positions is not reflective of their representation in society). The binary categorisation of women and men, male and female, masculine and feminine is seen for its debilitating influence on understanding the exclusionary gender sub-text. Fourth wavers have a serious concern with the way society genders and is gendered, which means that the equality emphasis is shifting to an equity emphasis (where gender-targeted policies treat all women equally, and a more nuanced approach to recognising differences within gender is now advocated). Intersectionality is becoming an important theoretical perspective with the argument that women's suppression can only be fully understood in a context of the marginalisation of other groups and genders. Fourth wavers argue that feminism is part of a larger consciousness of oppression along with racism, ageism, classism, ableism and sexual orientation (Crenshaw, 1991).

Whilst the waves, as a metaphor for the development of feminist theories have been useful, Nicholson (2010) contended that the metaphor gave rise to an understanding of feminism as being the only theoretical position through which gender activism has been advocated for. She raised the concern that the complexity which characterises gender issues cannot be presented as waves which reach a pinnacle

at some point, only to die down at another. The biggest concern is that feminism does not represent a unified phenomenon. Garrison (2005) suggested that it makes more sense to rather recognise the development in feminist thinking as radio waves, simply because of the plurality that it suggests. As a theoretical foundation for the study of gender in P(p)ublic A(a)dministration, the above has the following epistemological consequences:

- There is no single feminist theory which could be applicable to all gender studies in P(p)ublic A(a)dministration; and
- Gendered practices may be considered from a variety of different theoretical positions which focus on highlighting the binary distinctions and their inherent unequal distribution of power and position between the sexes; and
- Gendered practices can be studied by focusing on a more inclusive narrative through which gender is seen as a factor which intersects with a variety of other factors (biological, economic and/or socially constructed) in shaping the experience of women and men within public organisations.

Feminism has been instrumental in understanding how power in society is structured and shaped. In the following section, specific attention will be paid to what makes the public organisation a useful context for the study of gendered practices.

2.3.2 Gender and public administration

Scholars agree that public administration practice is a particularly appropriate context through which the gendered organisation can be studied. Martin (2003) noted that public organisations seem, in comparison to private companies, more inclined to promote an equality agenda, specifically in terms of access to management positions. Kmec (2005) found lower rates of occupational segregation by gender in public organisations when compared with the private sector, while Conley et al. (2011) stressed the importance of the public sector to promote women's employment. Additionally, Kelly and Newman (2001), Connell (2006), Stivers (2002, 2008) and Carreiras (2010) have all used the gendered-organisation approach through which the unique character of the public sector as a gendered context has emerged. Mastracci and Bowman (2015, p. 859) explicated that public organisations reflect and are accountable to the collective (the polis), and as such are in the unique position to elevate social equity to that of a critical strategy needed to affect social change and redefine organisational success. Thus, it is incontestable that public organisations are gendered, but as argued by Mastracci and Bowman (2015, p. 860), how public organisations are exactly gendered is a theme which should be taken up by public administration scholars.

Britton (2000, p. 418) has argued that considerable attention has been paid to the gendering of organisations and occupations, but specific gendered approaches such as the gendered-organisation approach and the glass-ceiling approach remain

theoretically underdeveloped. As will be seen in subsequent sections, research has been produced which supports the gendered-organisation approach, but it has not led to an accepted theoretical or methodological foundation for the study of gender in Public Administration. Its focus has remained on the practice, without substantive influence on a specific feminist or gender theory in Public Administration. Guy (1993, p. 286) contended that government, with the assistance of economic markets, is the vehicle through which social change is affected. However, when women enter managerial positions, this vehicle forces compromises and changes, which do not necessarily bring about the desired gendered social change. The argument is that the equality discourse does not result in gendered change, but rather seems to reproduce the accepted gendered practices within public organisations.

As mentioned above, research using the gendered-organisation approach has been conducted and the following gender research has been published within the Public Administration context:

- Various equality questions including numerical representation of women in management levels within public organisations and their advancement through development (Guy, 1993; Chesterman et al., 2005; Nkwana and Van Dijk, 2012; Mastracci and Bowman, 2015; Mabelane, 2017);
- Women's under-representation in specific government professions and agencies or departments and the reproduction of these gendered-specific occupations throughout the public sector (Guy, 1993; Benschop and Doorewaard, 1998; Ford, 2006; Healy et al., 2011);
- Sexual harassment in the public workplace with a specific focus on the already gendered policies meant to protect against sexual harassment, but which only encourage the reproduction of specific gender acceptable roles, behaviour and practices (Connell, 2006; Mastracci and Bowman, 2015);
- The need to create family friendly public workplaces that would address the gender stereotypes associated with gendered roles and occupations (Benschop and Doorewaard, 1998; Connell, 2006, Mabelane, 2017);
- The presence of the 'glass ceiling' and its debilitating effect on the advancement of women (Connell, 2006, Mabelane, 2017); and
- Equity questions which focus on gender alone which tell only part of the story (Benschop and Doorewaard, 1998; Bearfield, 2009; Gilbert et al., 2010; Healy et al., 2011).

Mastracci and Bowman (2015) maintained that the gendered norms which govern organisational behaviour do not emerge in isolation, but are the products of the repeated interactions between colleagues. Organisations are not gender-free, nor are they blank slates that become gendered only because women enter the organisations. McGinn and Patterson (2005) reasoned that other variables which con-

tribute to a gendered experience should include (but are not be limited to) race, social class, ethnicity and sexual orientation. This is further supported by Stivers (2008, p. 1011), who contended that gender should not be studied at an individual or reductionist level, but should rather be contested at the level of relationships. It should focus on explaining and enhancing an understanding for the meaning that a social setting has on the people working and living within it.

2.4 Ontological feminist and gender considerations in the study of public administration

Ontology means to study reality and what is considered the being of a field of study. According to Stout (2012, p. 388), public administration scholars have engaged in research which has shaped an understanding of the relationship between theory and practice, its epistemology and its methodology, but have yet to conquer the deeper philosophical commitments which shape these engagements. Stout (2012, p. 388) argued that every epistemological position reflects an inherent ontological conception. The implication of the above is that if the gendered-organisation is accepted as a theoretical, epistemological position, the ontological nature underpinning that assumption should be elaborated upon. Stout (2012) contended that by “taking up the question of ontology as the most fundamental basis for claims about all aspects of governance” public administration practices become context specific, value laden and constructed. Constructivism, and in some instances deconstructivism, have been the accepted ontological position for feminist and gender studies. However, Britton (2000, p. 422) warned that seeing public organisations as inherently gendered gives gender an ontological status, which may be difficult to prove or on which to build theory. In addition, should the gendered-organisation be seen as possessing an ontological position, it would limit the transformative ability of using the approach to effect social change.

Regardless, the ontological position of feminist and gender studies has been founded on two discernible concepts, namely i) power and how power shapes gender distinctions and ii) the binary or categorical classifications of these gender distinctions which are now disputed.

2.4.1 Power, feminism and gender

According to Connell (2006, p. 842), public organisations have well-defined structures of authority through which power is legitimately delegated. This power influences all organisational practices from the way in which budgets are drafted and used to the recruitment of the ‘right’ employees and the right to direct another’s work. Benschop and Doorewaard (1998, p. 790) referred to the use of hegemonic power processes through which people wield power or are subjected to power with-

out being fully aware of its influence. Hegemonic power processes are defined as (Benschop and Doorewaard, 1998, p. 790):

- Processes through which hidden or concealed meanings are created;
- Processes through which these meanings are then expressed, either verbally or non-verbally, as legitimate and agreed upon rationality; and
- Processes wherein the acceptance of this discourse leads to organisational success and non-acceptance to oppression and disadvantage.

Hare-Mustin and Marecek (1988, p. 455) contended that the relationship between ontology and power has been a specific focus of postmodern thinkers such as Foucault (1973). Foucault's position was that language could be used to not only convey meaning, but to shape meaning through representation. Language is not neutral and represents the meaning of specific situations which it describes. Once specific language associations become acceptable, language will then be used to control and subordinate within that context. Connell (2006, p. 839) termed the above a gender regime, which determines the pattern of gender relations within the organisation. Wielding power through the hierarchy is but one way in which the gender regime is maintained and strengthened. Connell (2006) conducted a study into sexual harassment in public organisations and found that power relations are brought into play not only in the act of harassing, but also in objectifying the individual influences which women's identities and their confidence have in organisational settings. Recognising the influence of power on gender relations defines the manner in which gender is practised and studied.

2.4.2 Binary classifications

According to Connell (2006, p. 838) the basic assumptions put forth by first, second and even third wave feminists - the categorical approach of studying men and women along binary lines, be it biological or socially constructed - is "profoundly inadequate". Gender is not static and the dichotomy created through binary understandings misrepresents the dynamic and unstable gender issues based on patterns of unpredictable behaviour. The argument is made that gender patterns not only influence the relationships between the genders, but also within the genders. Butler (1990, p. 33–34) in her description of the gender binary argued that "The univocality of sex, the internal coherence of gender, and the binary framework for both sex and gender are considered throughout as regulatory fictions that consolidate and naturalise the convergent power regimes of masculine and heterosexist oppression".

From an ontological perspective, replacing the binary with a more inclusive understanding of the relationships within and between the sexes, has a profound effect on how gender is studied and understood. The ontological position of women remains constructed, but what has changed is how this reality is constructed, who is involved in its construction and recognition of the heterogeneity in and between

the sexes, their gender roles and how gender is practised in organisations. From an ontological perspective, the following should influence the study of gender and feminism in P(p)ublic A(a)dministration:

- Biological and socially constructed categories are not prescriptive; and
- An epistemological position will have an inherent ontological consequence, and the more the epistemology embraces an integrated understanding of the gendered organisation, the more its ontology will be inclusive and situationally defined.

2.5 Methodological feminist and gender considerations in the study of public administration

The discipline of Public Administration does not have a specific methodological approach through which its research is produced. Studies by Houston and Delevan (1990), Miller (1997) and Cameron and McLaverty (2008) on the nature of research articles published in academic journals, such as the *Public Administration Review* (USA), *Administration & Society* (USA), *Public Administration Quarterly* (USA), the *International Journal of Public Administration* (USA), the *Journal of Public Administration* (South Africa) and *Administratio Publica* (South Africa), revealed that the majority of articles were largely descriptive desktop studies aimed at addressing a specific practical problem. Case studies seem to be the most important design choice for research, with the applied nature of the discipline cited as lending itself to a context specific methodological choice. McCurdy and Cleary (1984, p. 49) argued that scholars are unable to solve the problem between theory and practice due to the practical nature of public administration which does not seem to lend itself to systematic inquiry. They further reasoned that public administration should have its own research techniques developed, taking the following criteria such as purpose, validity and impact into consideration, thus supporting a more evidence-based research method. They maintained that even although Public Administration is an applied science, it should still have an empirical, rigorous and systematic core (McCurdy and Cleary, 1984, p. 53). Ventriss (1991, p. 6) confirmed the above by stating that Public Administration theory still exhibits a pre-occupation with applications, operations and performance, and not with theory, abstractions or research methodology. Thus, qualitative, quantitative and mixed method approaches are used without any consensus on a specific methodological framework for the study of the discipline. The following discussion highlights the requirements which a feminist and gendered-organisation approach would have on the methodology used to investigate it.

2.5.1 Research methods in the study of feminism and gender

According to Benschop and Doorewaard (1998, p. 790–791), notwithstanding the variance in methods used, discourse analysis has been the main method through which feminist organisation studies have been conducted. In using discourse analysis, text, symbols, language and meaning may be used to reveal the socially constructed reality within a specific organisational context. Realities are contested and subjective spaces in which gendered practices are found and methods such as the deconstruction of literature or the use of narratives and stories are used to reveal patterns of behaviour, which when observed in a variety of different contexts become the supported and accepted understanding.

Cook and Fonow (1985) contended that the concept of a feminist methodology should consider two specific arguments.

Firstly, the epistemological assumptions related to gender are often conceptualised in the abstract and represented by a number of assertions guiding the study, such as the lack of advancement opportunity into senior management level, the glass ceiling, or gendered recruitment practices. Secondly, how these assertions are then empirically researched depends on which aspects of the assertions are investigated. The authors argued that the feminist methodology “is in the process of *becoming* and is not yet a fully articulated stance” (Cook and Fonow, 1985, p. 3). The above articulates that attempts to close the definition of a feminist methodology could limit the possibilities and opportunity to fully comprehend the practice and being of a gendered organisation. Cook and Fonow’s (1985) research reflected on specific research strategies which may be applicable to the study of gender and feminism. The strategies which may be particularly useful in the study of Public Administration include:

- The triangulation of methods employing at least one qualitative and one quantitative method, with which one could either inform the other, or both could complement each other;
- Linguistic techniques in which narratives or conversational analysis take place;
- Textual analysis in which written text is analysed for how it addresses feminist and gender issues;
- Refined quantitative approaches specifically useful in determining attitudes;
- Collaborative strategies in which the researcher and participants collaborate in both the gathering and the analysis of data; and
- The use of situation-at-hand scenarios which may be particularly useful in generating an understanding of women’s issues within an already familiar context. Gurney (1985) used this approach to determine how women deal with sexism in the workplace and while the topics are often controversial and emotional in

nature, the methodology lends itself to a creative and appropriate manner to collect and analyse the data.

In all of the above strategies, the importance of providing the opportunity for women to participate, collaborate and shape their constructed reality is emphasised. A further important characteristic in making a methodological choice is that the opportunity exists to create balance. While a quantified study into the representation of women in senior management positions may be useful, when combined and triangulated with additional qualitative data, the prospect exists to offer a more comprehensive understanding of the results.

2.5.2 Finding a voice

The use of the metaphor of voice and lending a voice to the voiceless has been a powerful tool in feminist and gender research. According to Burnier (2003, p. 38), finding a voice means speaking, naming and breaking the silence on issues which affect gender relations and gendered-organisations. She describes “coming to voice as the process of critical consciousness raising – exploring one’s lived experiences with the aim of self-transformation” (Burnier, 2003, p. 38). Methodologically, the implication is that the central position of the narrative as part of the research must be emphasised. McDowell (1992, p. 405) supported the above and argued that when a voice is given to the research participants, the traditional unequal power relationship between the researcher and the research participant can be broken down. She also stressed the collaborative nature through which research should be produced – the researcher is not removed from her participants and the commonalities in their shared experiences become fundamental in the analysis of the data. Giving a voice to research participants favours the use of ethnography and phenomenology as specific design choices.

From the above, the following methodological considerations for the study of feminism and gender in P(p)ublic A(a)dministration emerge:

- Feminist and gender research is not approach prescriptive, but
- An integrated understanding of how gender is practised will necessitate the combination of a variety of research methods with specific emphasis on providing a voice to research respondents and breaking down power relations between the researcher and the research participant.

2.6 Synthesis: way forward

Reflecting on the typology developed by McGinn and Patterson (2005) presented earlier in this chapter, the Table 2.3 presents the specific epistemological, ontological and methodological considerations within each category.

2.7 Conclusion

This chapter attempted to highlight, without being prescriptive, what the influence of feminism and gender studies could be on the epistemological, ontological and methodological dimensions in the study of P(p)ublic A(a)dministration. Reference was made to the manner in which foundational issues have, in the past, been addressed by raising big questions or posing wicked problems. The assertion is not that feminism or gender in Public Administration are to be seen as a wicked problem, but rather that by framing specific big questions, emphasis could be placed on how feminism and gender influence the study of the discipline. The big questions related to the development of feminist thinking and how research about the gendered organisation focused on the practice of the discipline, thereby influencing its epistemological foundation. Ontologically, feminism and gender research implies a re-evaluation of power and the binary classifications associated with sex and gender roles. Conducting feminist and gender research implies the selection of a method which would be appropriate to generating an integrated understanding of the manner in which gender is practised in organisations. None of the three dimensions can be studied or influenced in isolation and the multi-directional influence between epistemology, ontology and methodology will shape how gender is understood, theorised about and practised within this field of study.

Table 2.3
Epistemological, ontological and methodological feminist and gender considerations in P(public A(a)dmistration

Category	Epistemological consideration	Ontological position	Methodological consideration
Category 1: Fully androcentric public administration: recognising women's absence	Gender neutrality in both practice and field of study Neutrality is a central theoretical standpoint	Neutrality necessitates a constructed reality in which gender is not considered as variable	Positivist, evidence-based methods used to support the neutrality narrative Textual analysis is favoured to support the neutrality standpoint.
Category 2: Women exist? Exemplars and exceptions	Adoption of a specific feminist theory i.e. standpoint feminism or radical feminism to identify theoretical assertions upon which women's issues are argued	Dependent on the specific theory, inherent principles such as power, patriarchy or hierarchy become the foundation of the construction of a reality. Women perceived as a homogenous group and their issues as homogenous in nature.	Narratives and storytelling which favour a qualitative approach to understanding a specific lived experience.
Category 3: Women as independent variable	Specific theory as epistemological foundation in which gender is a measurable variable	The influence of women as a homogenous group is investigated for its impact on other organisational factors	Measuring gender as a variable lends itself to quantitative studies in which causal relationships may be proven.
Category 4: Women as scholarly problem	Using specific feminist theory as epistemological framework with an emphasis on showcasing the 'othering' of women	Women considered a homogenous group in which the experience of some become the generalisations for all	Using qualitative and quantitative methods, depending on the theoretical position and attempt made towards generalisation.
Category 5: Feminism and serious questioning	Feminist epistemology intersects with other theoretical frameworks although the experience of women remains the focus	Differentiation in depiction of women and recognition given to the intersections of other variables in shaping a more contextual, situational and time specific narrative	Using both qualitative and quantitative methods depending on the nature of the study i.e. quantitative in order to argue causality between intersecting variables or qualitative when life stories of women are the focus.

Category 6: Multifocal and inclusive public administration	Adopts a inter-disciplinary or multi-disciplinary approach in which feminist theory may be a contributing theoretical perspective Necessitates a critical rethink of the theoretical assumptions shaping the discipline	Favours plurality of views and multiple manifestations of identity, challenge and meaning	Favours multiple methodological choices with an emphasis on triangulation and integration towards the creation of a more inclusive understanding of the practice.
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Chapter 3

Public Financial Management in South Africa – Quo Vadis?

David Fourie¹

Abstract

The purpose of public financial management (PFM) is to effectively and efficiently manage the scarce financial resources to ensure the delivery of the pre-determined outputs and outcomes essential to satisfy the requirements of the public. A number of reforms have been undertaken since 1994 in the political and socio-economic landscape of South Africa. In PFM various budget reforms, for example the Medium Term Expenditure Framework (MTEF), Public Finance Management Act, 1 of 1999 and the Municipal Finance Management Act, 56 of 2003 have been introduced.

This chapter investigates the relevant legislation as adopted by the Parliament of South Africa and policy documents developed by the South African National Treasury reflecting on public finance. The transition to a democratic society in 1994 provided the foundation for an innovative budget management system that transformed the landscape of public finance in South Africa.

Key words

Public financial management; annual budget; budget cycle; financial governance

3.1 Introduction

Public finance management (PFM) is reflected in the government's capacity to raise public resources, set priorities for public expenditure, the allocation of resources, and effectively, efficiently and economically ensure the sound management of resources. PFM processes support government to transform the adopted strategies

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into action, arrange for financial and non-information for effective decision-making and accountability. The purpose of a sound PFM is to achieve and maintain overall fiscal discipline, a well-defined allocation of resources to the predetermined needs, and the delivery of public services in an efficient, effective and economical manner. Effective PFM is therefore indispensable to the government's capacity to provide services to inhabitants and thereby ensure the sustainable improvement of all lives.

PFM is an indispensable component for the management of any public-sector department and states in what way the available resources are to be utilised. It focuses on the prioritisation and usage of scarce resources by confirming effective 'stewardship' over public money and assets, and on value for money towards the accomplishment of the objectives of government, i.e. providing the best possible services (Jordaan and Fourie, 2013, pp. 34–35). It is essential that it is conducted in an open and transparent manner and in line with all of the applicable legislation. It has to be acknowledged that the spending of public money derived from the taxpayer by the government should be seen as an investment to improve the lives of all citizens and therefore be managed optimally.

The Public Finance Management Act, 1 of 1999 (PFMA) as introduced, was a significant component in the reform of the manner in which public finance is managed by officials. The PFMA emphasises the significance of sound PFM, openness and accountability, as well as clearly describes the accountability chain with the separation of responsibilities to be performed by the accounting officers and their respective Ministers or Members of the Executive Council (MECs). The PFMA identifies the value of the role of information required for sound PFM practices (National Treasury, 2000, pp. i and 3). This chapter aims to explore the status of PFM since 1994 by focusing on:

- A review of the policy documents and the legislative framework regulating PFM in South Africa.
- The broad objectives required of a sound public finance management system.
- An analysis of the South African budgeting process by reflecting on the pre-1999 budgeting process and the post 1994 public finance reforms and specifically the policy reforms to ensure good governance.
- A description of the role players for an effective budget system and the budget cycle followed in South Africa.
- A conclusion as an output of the chapter.

3.2 Contextualisation of public financial management

The general objectives of a PFM system are to safeguard fiscal discipline, the distribution of resources to the predetermined needs, and the delivery of public services in an efficient, effective and economical manner. In the delivery of public services,

an effective and efficient PFM system will ensure prioritisation, applicable control systems, openness and accountability in the management of public resources. The aforementioned are important in the accomplishment of public policy objectives. An efficient and effective PFM is thus crucial to government's capability to render services and to guarantee the development of all citizens (Public Expenditure and Financial Accountability, 2011, pp. 1–3).

One of the functions of the state is the fair allocation of the scarce resources for the provision of public goods and services (Fourie and Schoeman, 2011, pp. 189–190). Apart from the aforementioned, the maintenance of economic activities, redistribution of income, the promotion of economic development and sustainable employment, form an important part of the additional role of the state. To execute the different roles, as allocated to the government by the voting public, the government needs to generate resources in the form of taxes from the public in an adequate and proper way and distribute the collected resources efficiently, effectively, and economically. Determining in what manner to raise and the distribution of the public resources is a political function and will form the basis of decision-making in government. The method in how public resources are used is a significant factor in the achievement of public policy objectives (Welham and Hadley, 2015, pp. 4–5).

A budget has three economic functions i.e. the stabilisation of the economy, the allocation of resources, and to distribute wealth. It is a political, economic, administrative and human rights process, and is an important public policy document stating government's objectives to raise revenues and the utilisation of resources during a financial year (Parliament, 2011, pp. 8–12). PFM deals with the arrangements and relationships between the revenue (money collected directly or indirectly from the public) and the expenditure in a way that reflects the best way to meet the needs of the public. The PFM is a critical component of public administration and the role it plays in implementing government's policies to stimulate economic growth, social enhancement and other pre-determined developmental goals (Fourie, 2014, p. 272 and Pauw, et al. 2015, pp. 8 and 24–25).

Additionally, a PFM system refers to the arrangements and processes whereby decisions are made and executed concerning the distribution and management of public resources. The decisions made, as influenced by the broader policy process and the institutional and legal framework of government, will be contextualised in the annual budget process. The core of PFM is normally engaged with budget preparation and planning, the endorsement by the legislature, execution (implementation) and to account for the public funds spend.

3.3 The South African budgeting process

A comprehensive PFM system is important to realise the strategic goals and objectives of government. It requires a number of accurate phases or stages to allow the numerous role-players to participate in and manage the various interactions in the process (Fourie, 2014, p. 273). After the 1994 elections and the adoption of the Constitution of the Republic of South Africa (Constitution), 1996 as the supreme law of the land, the budgetary and financial reforms were initiated. This section will reflect on the budget reforms post-1994 and pre-1999.

3.3.1 Pre-1999 budgeting

The pre-1999 financial practices were organised by a centrally set of inflexible bureaucratic procedures that allowed limited and, in some instances, no scope for administrators to manage the public finances allocated to them. In some instances, even routine matters had to be referred to the Treasury for approval. This regulating practice of public funds by Treasury was seen as *financial administration*, thus not allowing accounting officers to manage public funds. This led to an input approach rather than an output or outcome approach to be achieved in the delivery of the service. As this process did not describe responsibilities, it manifested in reduced accountability and the lack of achieving value for public money. Proper planning, in addition to the prioritisation of programmes, was weakened by this incremental (one-year) budgetary system. As a result of the incremental budgetary system, accounting officers assumed a compliant approach to their budgets, and thus did not do much to circumvent overspending or underspending. For example, producing financial information was delayed and often became available well after the financial year-end which made accountability a difficult task (Fölsher and Cole, 2006, pp. 2–3; National Treasury, 2000, p. 3).

Apart from the above, the Budget Analysis Manual (Parliament, 2011: 32–33) identifies a number of other problems associated with the incremental budgetary system. These include that the budget was driven by technocrats, and that the process was characterised by secrecy, a lack of transparency and with limited political input. Civil society participation in the budgetary processes was also constrained. The rationale and criteria for the allocation of public funds was not clearly articulated and through the budget process, the legislature was totally overwhelmed by the executive. Parliament had limited influence to amend the budget as proposed by the executive and its role in the budget process was thereby restricted. The budgeting system was *ad hoc* in nature with marginal planning and not performance orientated. The budget documents were mostly inaccessible and were not user-friendly, making it difficult to exercise a degree of financial control over public funds. The fundamentally secretive nature of the budget system made it problematic for Parliament to exercise its oversight role in ensuring that public funds were spent efficiently, effectively and economically, and that quality services are delivered to the

public. The financial administrative system that applied was highly ‘rule-bound’, centralised, with an emphasis on inputs rather than outputs and outcomes (Parliament, 2011, p. 82).

3.3.2 Post-1994 public finance reforms

Taking into consideration the unstable and uncertain state of affairs, government had to introduce reorganisations or reforms to bring PFM in line with international best practice. Fundamentally, the budget reform process was introduced to enhance service delivery by government through improved information sharing for well-informed decision-making and robust managerial authority and accountability. The prospective outcomes of such reforms were to improve services, ensure value for money and sound management of public finances. The South African public financial landscape has undergone a series of budget reforms since 1994 (Ajam and Fourie, 2016, p. 263).

The key public finance reforms manifest as (Wildeman and Jogo, 2012, pp. 1–2 and Parliament, 2011, pp. 33–63):

- The intergovernmental system as provided for by the Constitution that prescribes an intergovernmental system that is independent, interrelated and distinctive. The Intergovernmental Fiscal Relations Act, 97 of 1997 strengthens the constitutional provision of cooperative government. The Act also refers to the equitable sharing and allocation of revenue between the different spheres of government. Important to note that equitable sharing of revenue is reflected in the Division of Revenue Act, 4 of 2010.
- In 1997 there was a move from the single budget year to a multi-year budget framework referred to as the Medium-Term Expenditure Framework (MTEF). The MTEF is a transparent planning and budget formulation process within which Cabinet and central agencies establish credible contracts for allocating public resources to their strategic priorities, whilst ensuring overall fiscal discipline. The process entails two main objectives: the first aims at setting fiscal targets, the second aims at allocating resources to strategic priorities within these targets. To attain these objectives, it is necessary for important role-players to engage in the budget process. The budget process or budgeting refers to the process by which government creates and approves a budget. This implies that when crafting the overall budget, government takes a medium-term (three years) outlook. The forthcoming year is the official budget year, whilst the two subsequent years serve as baselines or indicators for the upcoming budgets. Parliament votes only on the forthcoming year, not the two subsequent years. An important aspect of the South African budgeting process is the Medium-Term Budget Policy Statement (MTBPS) which provides medium-term macro-economic trends and projections, which includes expenditure and revenue estimates (National Treasury, 2016(a), pp. 62–64 and Pauw, 2015: pp. 83–84).

- The Public Finance Management Act, 1 of 1999 (as amended) came into effect on 1 April 2000 as per sections 213 and 215 to 219 of the Constitution, 1996 (for the national and provincial spheres of government). The PFMA is an important piece of legislation (Parliament, 2011, pp. 43–45) which adopts an approach towards financial management that stresses responsibilities, outputs and outcomes instead of the instructional approach as set by the former Exchequer Act, 1975 (Act 66 of 1975). The PFMA is part of a wider approach to refine financial management in the public sector and to uphold the objectives of good financial management. The PFMA ensures that all revenues are collected, expenditure is as approved, and assets and liabilities are managed efficiently, effectively and economically. The responsibilities of officials entrusted with financial management are also stipulated in the PFMA. The PFMA assumes that the political head is responsible for policy matters and outcomes whilst the accounting officer of an institution is responsible for the outputs and implementation, as well as for accountability to legislatures for financial management. It is also applicable to other officials, such as line function managers, who are responsible for ensuring that tasks are performed in compliance with the prescriptions of the PFMA to safeguard the accounting officer (National Treasury, 2000, p. 3 Wildeman and Jogo, 2012, pp. 19–20 and National Treasury, 2016(b), pp. 4–5).
- For the management and control of financial aspects, National Treasury will, in terms of section 76 of the PFMA, issue and update the Treasury Regulations (National Treasury, 2000, p. 2–3). These Regulations incorporate generally recognised accounting practices (GRAP) which are the uniform norms and standards for financial reporting (National Treasury, 2016 (b), p. 10). The Accounting Standards Board (ASB) sets standards of and provides guidance for GRAP. The solutions in managing matters and detailed procedures and processes are left to accounting officers or authorities and their managers to develop, according to the business needs of their institutions (Parliament, 2011, p. 45).
- The Municipal Finance Management Act, 56 of 2003 was passed to permit local government to conduct their affairs with reference to municipal governance and municipal financial matters. This reform was aimed at improving budget and financial management practices, ensuring sustainable municipal finances, and establishing a thorough governance structure through clearly defined and separated roles and responsibilities of the mayor, executive and non-executive councillors and officials.
- The Estimates of National Expenditure (ENE) gives effect to Section 27(3) of the PFMA which prescribes budget formats for the three spheres of government. The ENE is a unique and ongoing budget reform and details the expenditure plans of the national votes (departments). Relevant public sector financial information is provided by the ENE in a well-timed and methodical manner, connecting performance targets to approved budgeted expenditure. As a detailed

information instrument, the ENE offers members of Parliament thorough information on the manner departments plan to utilise the funds that are appropriated by Parliament, which will assist Parliament and society to hold departments accountable for service delivery commitments. The information captured in the ENE includes the main policy areas, programme objectives and service delivery targets (Pauw, 2015, p. 65 and 81).

- National Treasury Regulation 5.1.1 provides guidelines for the annual preparation of departmental strategic plans. The accounting officer is required to formulate a strategic plan for the upcoming MTEF period. The plan is then approved by the applicable executive authority and tabled in Parliament. The strategic plan must be in the line with the MTEF and this means that departments are therefore preparing their annual rolling strategic plan whilst preparing their medium-term budgets. The medium-term budget allocation allows that the annual performance plan (APP) is implemented. The APP emphasises the government's medium-term budget policy priorities as it determines the key objectives, strategies, and result areas. Therefore, it guides the department towards the achievement of the set goals and objectives by way of focusing on the department's purpose, objectives, organisational structure and expenditure programmes, available resources, deliverable outputs and real outputs, and performance measures or service delivery indicators and targets (National Treasury, n.d. pp. 59–63).
- The Money Bills Amendment Procedure and Related Matters Act, 9 of 2009 gives effect to the requirements of Section 77(3) of the Constitution, 1996 by providing for a process to adjust money bills before Parliament. The passing of the legislation is to support the role of Parliament regarding their fiscal oversight function. It further provides Parliament with the authority to extend its oversight role with reference to budget expenditure by government departments by way of the Finance and Appropriations Committee as instituted per Section 4 of the Act. This means that the Committee changes from merely accepting or rejecting money bills to becoming more effective by performing a vigorous oversight in relation to the budget (Parliament, 2011, pp. 54–56; Wildeman and Jago, 2012, pp. 39–40).
- The Fiscal Framework, Budget Review Recommendation Reports and Revenue Proposals provide for a fiscal framework which must be scrutinised when Parliament considers whether or not to amend a money bill. This fiscal framework serves as a key guide to the complete budget process by offering a foundation upon which detailed budget decision-making depends (Parliament, 2011, pp. 57–59).
- The annual Division of Revenue Act gives effect to section 214(1) of the Constitution, 1996. The aim is to improve transparency and to endorse sound and effective intergovernmental relations. It is a requirement that every year a Division of Revenue Act (DORA) defines the equitable division of revenue raised

nationally amongst the three spheres of government. In the Intergovernmental Fiscal Relations Act, 97 of 1997 the process for the determination of an equitable share and allocation of revenue raised nationally is prescribed. In the Act, Sections 9 and 10 (4) detail the process of consultation that needs to be followed by the Financial and Fiscal Commission (FFC). This will include the process of considering recommendations made with regard to the equitable division of revenue raised nationally (Pauw, et al., 2015, p. 18 and Parliament, 2018, p11).

Transparency and accountability strengthen each other and government is keenly aware of their obligation to show citizens that their public funds are utilised in an effective, efficient and economical manner. This increases public confidence in the government in the delivery of services. The transparency contributes towards providing fiscal and social support for government programme implementation.

Over the 20-year period of budget reforms, budget transparency and accountability was increased by the introduction of the intergovernmental system whereby all spheres prepare and approve their own budgets; the introduction of the MTEF which was a major step to move away from the one-year incremental system towards the clear alignment with policy, planning and budgeting and the introduction of the PFMA to modernise financial management, make budget information available and to reduce corruption and waste. The aim of the PFMA is not only to assist accounting officers to manage, but also hold them responsible and accountable for the utilisation of public resources.

3.4 Role players for an effective budget system

A participatory and comprehensive approach and process is essential for an effective budget system. This will require that in the budget process, the role players need to be clearly identified and involved which, in turn, will contribute to an open and transparent budgeting process. It is essential that the budgeting process complies with the legal framework as it will only contribute to strengthen the budgetary process. The role players in South Africa can, from an operational perspective, be divided into internal and external role players.

3.4.1 External role players

External role players in PFM include (National Treasury, n.d. pp.12–17; National Treasury 2016(a), pp: 10–11; Pauw, et al., 2015, pp.78–80):

- To guarantee a sound overall macroeconomic and fiscal policy of the government, the National Treasury has a significant function as it will coordinate with national departments and provincial treasuries to prepare the national budget. The National Treasury is also responsible for debt management and fiscal discipline.

- The Budget Council, as an external role player, advises Cabinet on the division of revenue to be allocated to the spheres of government. This Council consists of the Minister and Deputy Minister of Finance and advisors, provincial members of the executive council (MEC) responsible for the provincial treasuries and the accounting officers of the treasuries.
- The Financial and Fiscal Commission (FFC), as created by the Constitution, serves as an autonomous, advisory body. The FFC will provide recommendations on the division of revenue to the three spheres of government to the Cabinet and Budget Council.
- As the legislative branch, Parliament fulfils a significant role in the budget process. The budget will be provided to the Portfolio Committee on Finance and Appropriations of the National Assembly's (NA), and then distributed to the finance committees in the provinces, whilst the National Council of Provinces' Select Committee on Finance considers the Division of Revenue Bill. The Finance and Appropriations Committee commences with public hearings on the budget and concludes with a report to the National Assembly. The budget is discussed for around one week by the National Assembly and when the National Assembly has approved it, the budget will pass to the National Council of Provinces (NCOP), which follows the same process as the National Assembly. The involvement of Parliament in the budget process becomes more critical when there are challenges of reprioritisation of resources within the spheres of government (Parliament, 2011, pp. 70–71).

3.4.2 Internal role players

The following internal role players play an important role regarding budgeting (National Treasury, n.d. pp. 9, 12 and 14; Pauw, et al, 2015, pp. 73–77):

- Executive authority: The minister (responsible for the specific institution) is the executive authority which must approve the institution's draft budget before it is submitted to National Treasury. The minister must ensure that the institution's budget is aligned with the ruling government's political priorities, as well as defend the institution's budget within the executive and legislature.
- As reflected in the PFMA, the accounting officer is responsible for the sound and effective management of the funds allocated to the department under his/her control.
- Chief financial officer (CFO), as appointed by the accounting officer, is directly responsible to support the accounting officer with his/her duties in terms of the PFMA/MFMA and DORA. The CFO plays a critical role in the implementation of the financial reforms at the direction of the accounting officer. This task is to be completed with the assistance of appropriately skilled staff (National Treasury, 2016(d), p. 5).

- **Programme manager:** For each programme, the accounting officer appoints a programme manager to manage the specific programme. Within the framework of public finance, the programme manager interacts with responsibility managers regarding their budget inputs by evaluating, making recommendations and consolidating these inputs.
- **Responsibility manager:** For each responsibility, a specific responsibility manager is assigned. The activities for which the responsibility manager is in charge are the result of the objectives, identified programmes and sub-programmes of the department.
- **Departmental accountant:** The role of the departmental accountant is aimed at supporting the functions of both the responsibility and programme managers. The most important accountancy functions that need to exist within the department are effective accounting processes; effective accounting record-keeping; correctly assigned allocations for expenditure and revenue in the budget; correct interpretation of accounting and public finance legislation and timely closure of the financial records at the end of the financial year.
- **Departmental budget advisory committee or management committee.** In small departments, the management committee may also fulfil the role of departmental budget advisory committee. In larger departments there are, however, a distinct departmental budget advisory committee, chaired by the accounting officer. The responsibilities of the departmental budget advisory committee include the development of a strategic plan and to set measurable outputs and priorities; the evaluation of budget submissions; to advise on the department's MTEF; monitoring the status of the expenditure and revenue and to report to the Auditor-General.

It is critical that a sound working relationship exists between all role players. In return for the authority from the legislature to approve the raising of revenue and allowing expenditures, the executive is held responsible for achieving PFM objectives. The executive is responsible for developing a budget strategy and making fiscal decisions that underpin the budget. In this regard, the National Treasury will support the executive in promoting the three PFM objectives by providing advice on the revenue to be collected; expenditure decisions; challenging the programme spending of departments and monitoring the utilisation of resources to ensure consistency with the approved budget. The Minister, as political head, is responsible for policy matters and outcomes whilst the accounting officer is responsible for implementation and is accountable to the legislature for the management of the implementation of the budget. The accounting officer will be assisted by staff of the department to support implementation and in this regard, competent, skilled and quality finance staff and the stability of staff arrangements are important. To support the key role players, it is also required that well-developed back-up systems,

such as information technology, monitoring and evaluation systems and especially non-financial reporting are in place.

3.5 The budgetary phases

The completion of the budget is a time-consuming process and could take up to 14 months to complete. The budget process involves debate and decision-making about how to achieve the agreed policy priorities and service delivery objectives. The process is guided by political oversight, transparency and good governance arrangements. Cabinet, who is responsible for policy priorities that will inform the macroeconomic and fiscal framework, with the support of the National Treasury, compiles the budget (National Treasury, 2017: pp.10–12; Fourie, 2014, pp.280–281). The budget usually involves the following four phases:

3.5.1 Drafting or planning

The Executive branch, with the support of the National Treasury, prepares the budget and during the drafting or planning phase, the following receives attention (National Treasury, 2017, pp.1–6; National Treasury 2016 (a), pp.61–65; Parliament, 2011, pp.19–23):

- Policy implications as identified with the Medium-Term Strategic Framework (MTSF). This provides the basis for the medium-term priorities as outlined in the annual State of the Nation Address in February. The Ministers' Committee on the Budget (MinComBud) sets broad priorities on issues such as the allocation of resources within the social and economic sectors. It is a smaller technical subcommittee of the Cabinet, which is most closely involved in the development and oversight of the upcoming budget and its compliance with government goals. The Budget Council and the MinComBud review medium-term priorities and take an interest in issues pertaining to local government with the South African Local Government Association (SALGA) as the representative of local government. The Finance and Fiscal Commission (FFC) also submits its recommendations on the division of revenue (vertical and horizontal) for the forthcoming year. Cabinet and the provincial executive committees make policy choices, which entail the evaluation and balancing of competing and complementing socioeconomic priorities against scarce resources. Therefore, Cabinet, as the Executive, approves a set of Medium-Term Policy Priorities; and directs aggregates for the division of revenue and budget allocation for national departments.
- Preparation and drafting of the MTEF budget submission which commences with the assessment of the Medium-Term Fiscal Framework (MTFF) by the National Treasury and the Budget Council. MTEFs are based on specific guidelines and formats sent by National Treasury to the national and the provincial depart-

ments to prepare the budgets. Likewise, provincial treasuries provide guidelines for the MTEF submissions to provincial departments. National Treasury evaluates and comments on the submissions and it can transpire that the National Treasury indicates that, where applicable, identified departments reply to the remarks prior to, or during, the Medium-Term Expenditure Hearings.

- Review of Macroeconomic and Fiscal Framework and Division of Revenue during which key inputs result in the Medium-Term Policy Priorities and draft MTEFs. A consultative process with respect to local government represented by SALGA also takes place. The MTEF plans received from the national departments must contain the current and likely new conditional grants for the provincial and local governments that would need to be taken into consideration in the process of determining the equitable division of revenue among the three spheres. Important central points in these meetings will include the provincial spending and the determination of the simultaneous mandates. The implementation of the conditional grants will also receive attention.
- The recommendations of the medium-term allocation process are driven by Medium-Term Expenditure Committees (MTECs). Hearings are conducted to assess the MTEF submissions by national and provincial departments, and scrutinise the departmental priorities as reflected in their baseline allocations. The MTEC deliberates matters relating to the priorities determined and outputs to be realised and refers the recommendations to MinComBud and Cabinet. It is a requirement at this stage that the department defends the anticipated increases or decreases to allocations, as reflected in their MTEF. With the recommendations at hand, the Budget Council makes recommendations on the division of revenue to the Cabinet. Bearing the preliminary macroeconomic and fiscal framework and division of revenue proposals in mind, the national MTEC will avail the recommendations to the MinComBud for national votes in early October. National Treasury prepares the MTBPS, which entails a revised macroeconomic and Fiscal Framework as well as the Division of Revenue, which is presented to the Budget Council, Budget Forum, and thereafter to the Cabinet, with the national MTEF allocation to the MinComBud. Once the draft MTBPS is approved by the Cabinet, it is tabled in Parliament.
- Budget preparation, as part of the consolidation of the Division of Revenue Bill and the MTBPS, is where the National Treasury guides the Budget Review process and coordinates compiling the ENE. The format of the budget documentation that the provincial treasuries must produce will be directed by the National Treasury. Key documents in the planning (drafting) phase are (National Treasury, 2010, pp.6–10):
 - **Departmental annual strategic plans** reflects the annual strategic plans on what the department's strategies will be in the fiscal year to realise full implementation of the approved five-year strategic plan.

- **MTSF** as a document to convert the government's five-year plan into a programme of action.
- **MTBPS** as a document tabled in Parliament by the Minister of Finance. This will reflect the macro-economic expectations supporting the government's fiscal policy. The MTBPS sketches the general aims and objectives for the next three years and the projected revenue, expenditure and the division of revenue between the three spheres of government.
- **State of the Nation Address (SONA)** as an annual event, where the President of South Africa reports on the status of the nation, during a joint sitting of Parliament (National Assembly and National Council of Provinces). During this event, the President also outlines government's priorities and goals for the upcoming year.

3.5.2 Approval or authorisation

The executive tables the proposed budget in the National Assembly, which commences a process of parliamentary deliberation and concludes with the passing of the budget. In this process, the various Committees of Parliament will be involved in the analysis, revision and considerations proposed in the budget before moving to the approval phase. The Committees are as follows: The Standing Committee on Finance (National Assembly), The Select Committee on Finance (National Council of Provinces) and The Committee on Appropriations (National Treasury, n.d. p. 8; Parliament, 2011, pp. 24–25).

Key pieces of legislation that form part of the national budget include the Division of Revenue Bill and the Appropriation Bill. The Division of Revenue Bill describes the vertical and horizontal division of revenue amongst the three spheres of government and amongst the provinces. The enactment of the Appropriation Bill permits national departments with the legal authority to utilise the funds allocated. *Via* the respective finance directorates, the departments initiate spending (implementation) according to approved procurement procedures (Parliament, 2018, pp. 11–12).

3.5.3 Implementation or expenditure management

The executive (political head of the department) is responsible, with the support of the accounting officers, to implement or execute the approved budget. With the implementation, actions are taken where resources are to be used to implement the approved policies as reflected in the budgetary documents. The implementation of the approved budget must comply with the three PFM objectives (aggregate expenditure control, strategic resource allocation, and operational efficiency). Budget implementation thus calls for compliance (Pauw, et al., 2015, pp. 136–138 and Parliament, 2011, pp. 25–26):

- Guaranteeing that the budget will be implemented in line with the approved budget taking the policy and financial aspects into consideration;
- Adjusting the implementation of the budget to accommodate changes in the macro-economic environment;
- Managing potential problems that might arise during implementation; and
- Procuring and managing the use of resources effectively and efficiently.

Although the approval of the budget by the legislature allows departments to spend money within the legal appropriation, interaction with the Minister of Finance will be important as the Minister of Finance is authorised to exercise financial control over the implementation of the annual budget. Therefore, the necessary procedures are put in place to ensure that budget execution takes place within the authorised budget, virement rules, available cash and authorised borrowing (Pauw, et al., 2015. pp. 140).

It should be noted that a department's main source of revenue is the budget allocated and this revenue will be utilised to render services as per appropriate government policies and mandates. As expenditure will be incurred, the accounting officer will be held accountable for this expenditure. Therefore, it is important that standard operating procedures are in place to manage expenditure effectively and efficiently for all categories of expenditure. An effective control system must be established, detailing the segregation of duties between staff who are responsible for cash flows, requisitioning of goods and services, the placing of orders, receiving of goods or services, preparing of payment documents or certificates, and the approval of payments. This will assist in preventing unauthorised, irregular or fruitless and wasteful expenditure and the under collection of revenue due (National Treasury, 2016(d), pp. 8–9).

Reporting is a key mechanism to ensure sound management and transparency of all the financial and non-financial activities of a department. Section 40(4) (b) and (c) of the PFMA requires that the accounting officer must submit monthly information in a specified format and time frame on the actual revenue and expenditure for the preceding month and the funds required for that month. It allows for pro-active decision-making and must be based on information that is on time, reliable, accurate and especially verifiable. Reporting will manifest in the in-year monthly reporting where the accounting officer will use it as an instrument to manage the expenditure against the approved budget. The in-year monthly report needs to be discussed at the regular departmental meeting in order to take the necessary corrective steps if required. Financial statements must present a true and fair view of the department's expenditures incurred in the execution of the predetermined activities, comparisons to budgets, the revenue collection if applicable, and the assets and liabilities in the department (National Treasury, 2016 (e), pp. 3–6)

Annual reports and audited financial statements are a requirement as per Section 40(3) and subsection 40(1)(d) of the PFMA. The annual reports are a crucial document in which departments will report on their activities to provide a complete picture of the performance over the past year, reflecting the achievement, performance information, outlook, financial position and human resources information. The publishing of the annual report is necessary for transparency, accountability and to increase confidence and trust in the service delivery of government (National Treasury, 2016(e), pp. 7–12; Pauw, 2015, pp. 152–153).

3.5.4 Evaluation or auditing

It is prescribed in Section 215 of the Constitution, 1996 that national, provincial and municipal budgets are to maintain transparency, accountability and the financial management of the economy, debt and the public sector. The division of accountability in the public sector is evident from the PFMA and is vested in the accounting officer of a department. The responsibilities allocated to the accounting officer are to guarantee that a system of financial and non-financial, risk management and internal control are established and maintained. As an accountability mechanism the departmental audit committee monitors and directs the internal control as a system as part of an internal audit function (Fourie, 2014, pp. 283–285).

The National Assembly is empowered by Section 55(2)(b)(ii) of the Constitution to conduct an oversight of all organs of state and Section 114(2)(b)(ii) empowers the provincial legislatures to hold provincial organs of state accountable to it (South Africa, 1996). The following oversight bodies fulfil an important function (National Treasury, 2016 (a): pp. 5–9; Parliament, 2011, pp. 26–27; National Treasury 2016(c), pp. 5–11):

- The Auditor-General of South Africa (AGSA), as a Chapter 9 institution, exists to strengthen the democracy by supporting oversight, accountability and governance through the auditing process. The AGSA is the only institution that audits and reports on public sector expenditure and examines the financial management, performance of each department by scrutinising its year-end reports and financial statements. The AGSA delivers an opinion on the status and quality of the management and financial statements and does it in such a manner to empower Parliament or the legislature, via the Standing Committee on Public Accounts (SCOPA), to request the executive authority to explain how resources were spent.
- As a watchdog of Parliament, the Standing Committee on Public Accounts (SCOPA) acts on the manner in which public money is used by the executive and uses the issues as raised in the AGSA reports. The SCOPA has the power to exercise control over departments with respect to financial management and accountability for the utilisation of scarce public resources. The SCOPA will make

recommendations to the National Assembly or legislature to take corrective action if required.

- The National Assembly will, from its members, appoint several Portfolio Committees to oversee the activities of the national government departments. There is a portfolio committee for each national Ministry and its respective government department. The annual report will be utilised by the committee to evaluate the performance of the department by reflecting on the service delivery goals and targets as tabled in the strategic plans reflected in the programmes, sub-programmes or projects, for which parliament or legislature has provided the budget.

The Constitution stipulates the framework for the budgeting process to be open and transparent, identify the key institutions, their respective roles and responsibilities, revenue to be collected and expenditure made. This is a process to produce a consensus driven budget thereby stabilising the intergovernmental system, utilising the multi-year budget framework, replacing a top-down budget process and providing a framework for PFM and reporting. In this process, the PFMA fulfils an important part as it provides the structure by moving away from the administration of resources from a central point to decentralising the responsibility to the managers of the departments and allowing them to use their discretion and be held responsible and accountable for their financial decisions.

A sound PFM system is required to achieve value for money which contributes towards the sound delivery of public money. The planning, directing and controlling of the allocated financial resources are critical requirements for an effective and efficient Public Service. Financial management is integrated into all the disciplines of a department as it affects all the resources to be utilised.

3.6 Conclusion

Democratic reforms put pressure on government in the late 1990s to improve the budgetary system with the pre-1999 budget, categorised along economic, line-item, functional, administrative and programme lines. The quality of the information was questionable as there were many inconsistencies in the use of standards. The system was outdated as it reflected the incremental nature of the budget and focused on input rather than output. The interaction between the approved budget and spending, accountability for the public money spent and the reporting to the Auditor General were also questionable. This restricted the relationship between the approved policy and the spending of the budget by disturbing the oversight role and, thus, limiting accountability.

As the government is committed to improve the life of all its citizens within the constraints of the available resources, the period following 1994 introduced significant changes, not only on the political and socio-economic terrain, but also to the

PFM processes in South Africa. The public finance reform was necessary to improve accountability, transparency and ensure the involvement of all players. The budgetary reform has included the introduction of the MTEF, which has complemented the move from an audit approach to a performance audit approach. The PFMA is an important contributor to the reform and influences the manner in which public finances are managed by public officials. The PFMA emphasises the significance of sound PFM, openness and accountability, whilst clearly describing the accountability chain with the separation of responsibilities to be executed by the accounting officer and their respective Ministers or Members of the Executive Council (MECs). The Act modernised financial management in the public sector and in the process aimed to reduce fraudulent activities, corruption and maladministration. It should be noted that the Act does not have the intention of making managers so cautious of contravening the Act that they fail to deliver on the agreed-upon outputs as reflected in their departmental budgets. The Act is there rather to enable and support managers in the delivery of services. As was shown in the chapter, the budgetary processes are there to underpin the decentralisation of PFM and ensure efficient, effective and economic use of public resources by all the role players involved.

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Chapter 4

The Relevance of Public Administration in the Governance Era

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Abstract

The waves of change which have swept the world in the last three decades or so have affected the way in which societies are governed. In the process there has been a shift in governments, as bureaucracies moved from the traditional and the rigid to the more flexible approaches and processes of delivering public goods and services. For instance, in the traditional public administration, leaders and administrators held absolute power and service delivery was the sole mandate of the public service. Moreover, citizens depended on the government's will and decisions. With the rise of the governance mode, governments use an inclusive approach which creates room for the private and non-profit sectors to take part in public service delivery. As a result of administrative reforms and changes, many expected to witness the demise of public administration. But the test of time has proved that public administration remains at the centre of policy formulation and implementation, as bureaucracy is still considered to be a key player in governments' operations. This chapter examines the relevance of public administration in the era of governance. It includes: a theoretical review of approaches to the development of public administration, the crises which public administration underwent and is still going through, the trends and developments taking place and the relevance of public administration in the governance era. Data and information are collected by means of accessing published scholarly works such as journal articles, conference proceedings and websites relevant to the subject of discourse. The approach used is a mixture of a descriptive and explanatory approach, based on the survey of literature. The chapter intends to mainly provide a broad, but synthetic perspective, on the relevance of public administration in the era of governance.

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Key words

Public administration, public management, public service, government, governance

4.1 Introduction

The global waves of administrative reform of the last three decades or so have produced intense political and administrative debates, monumental volumes of scholarly research and publication, and fundamental changes in directions and outcomes which have captured much of the discourse on governance and public administration, on the role and size of government in economy and society, and on how public management should be organised. New paradigmatic changes have developed and as a result of these changes, new trends have surfaced with new ideological claims, and new organisational patterns have been prescribed with theoretical and practical applications worldwide. Many of these global waves of change have pointed to directions which challenge the traditional ways of thinking and refute the conventional wisdom on governance, administration and public management. The premises and underlying assumptions of what was practised in government and public administration have been questioned, rejected, and, in most countries around the world, replaced by new concepts and ideas, new models and new approaches (Farazmand, 2010a, p. 352). Modern public administration involves an inherent tension between better responsiveness to citizens as clients and effective collaboration with them as partners. This tension stems from tangible differences between the nature of responsiveness and the essence of collaboration (Vigoda, 2002, p. 527). For instance, the utilisation of public-private partnerships for policy indicates the willingness of a government operating within the governance framework to develop alternative means of making and implementing policy. This willingness to innovate in the selection of policy instruments can be seen as more general, with governance implying the use of a wider repertoire of instruments than might be used by a more traditional public sector (Peters and Pierre, 1998, p. 227).

With the advent of globalisation, public administration has faced a sort of identity crisis. Farazmand (2010b, p. 1141) is of the view that today the public service image is totally tarnished by the globalisation enterprise which is a focused onslaught against the realm of the public service, public interest and the public sphere all over the world. Behind this global onslaught is the dogmatic, self-proclaimed ideology of global capitalism equated with market-based governance, administration and democracy. The traditional historical progress of the last four centuries against workers' exploitation, human serfdom, child labour, human rights abuse and other violations of human dignity, have all of a sudden become matters of nonsense, irrelevant as new concepts of corporocracy and market idolism are invented and propagated. The traditional domains of public service have been claimed and occupied by this new globalising ideology, and a neo-colonisation has penetrated

deeply into the heart of public service and those areas in which the unprotected had traditionally sought a level of shelter.

This chapter examines the relevance of public administration in the era of governance. The main purpose is to provide a broad but synthetic perspective on the relevance of public administration in the era of governance. The research approach is descriptive and explanatory in nature. Data and information are collected by means of secondary data and information. The main questions which this chapter answers are: with all the reforms and transformation made to the governing of public affairs, what is the relevance of public administration in the age of governance? Is public administration becoming less dominant with the advent of governance? Can the field of public administration continue to play its noble role in governing societies? The strategy used in meeting objectives in this chapter is as follows: Section 4.2 outlines theories and practices related to public administration. Section 4.3 provides a distinction between public administration and public management. Section 4.4 describes the rise of the governance era. Section 4.5 discusses the identity crisis in public administration. Section 4.6 examines the role which academics play towards the practice of public administration. Section 4.7 identifies the challenges facing public service and administration. Section 4.8 describes the relevance of public administration in a modern state. The chapter will then conclude.

4.2 Approaches in the development of public administration

Public administration is a combination of both theory and practice. According to Stillman (1980), there is no sharp point in history where the story of public administration theory begins, similar to that of its practice. However, its practice is as old as human civilisation. For the sake of this chapter, three main approaches relating to the development of public administration are examined, namely the classical, the modernist and the post-modernist approaches.

4.2.1 Classical approach

The classical approach is based upon the ideas generated in the late 1800's and early 1900's and these are in turn primarily based upon the economic rationality of all employees. This evolved around the classical assumption of Adam Smith, that people are motivated by economic incentives and that they will rationally consider opportunities which provide them with the greatest economic gain. There are three branches which feed on the same underlying principle of classical theory. These are: scientific management, administrative principles, and bureaucratic organisation (Lamidi, 2015, p. 10).

The rational economic view is one of the main views expressed in the classical approach and it is summarised by Schein (1970) cited in Smit et al. (2007):

- People are motivated by economic gains;

- Because organisations control economic incentives, an individual is primarily a passive resource to be manipulated, controlled and motivated by the organisation;
- Irrational emotions must be kept from interfering with economic rationality; and
- Organisations can be designed in ways to control irrational emotions and thus the unpredictable, dysfunctional behaviour of their employees.

4.2.2 Modernist approach

The modernist approach to public administration is oriented to results, focusing on clients, outputs and outcomes. The adoption of new forms of public management means the emergence of a new paradigm in the public sector. In the words of Kat-samunski (2012, p. 79) modern public management focuses on management by objectives and performance management, the use of market and market-type mechanisms in place of centralised command, the control style of regulation, competition and choice and devotion, with a better marching of authority, responsibility and accountability. In the United Kingdom, during the Thatcher Government, there was concerted effort to implement the three E's of economy, efficiency and effectiveness at all levels of the British Government. The reform was mainly aimed at the massive privatisation of public enterprise and cutting out other parts of the public sector, whilst the civil service moved from an administered to a managed bureaucracy.

The modern theory of public administration relies on the behavioural and quantitative schools of thought. Modern management theory has changed the way in which public administrators look at their jobs (Denhardt, 2008). Advancements and refinements in management theory and practice have enabled managers and managerial systems to evolve.

4.2.3 Post-modernist approach

Post-modernism is hard to classify. Its scope is enormous, but its achievements in applications to the mainstream themes of academic PM are limited (partly, no doubt, because post-modernists regard some of the traditional preoccupations of the field as pointless and unachievable). This approach has its own band of followers, its own journals and conferences and its own heroes and villains (Pollitt, 2016, p. 51). Post-modernist scholars have made a major contribution to deconstructing the surfaces of texts and analysing political and bureaucratic rhetoric and storytelling. They have assembled a powerful critique of modernist technocratic rationalism (Bogason, 2005, p. 241).

Post-modern theory is a broad and somewhat ambiguous belief system tied to the philosophical and cultural reaction to the convictions of Modernism (sometimes equated with Humanism). Post-modernism is the philosophical proposal that

reality is ultimately inaccessible through human investigation, that knowledge is a social construction, that truth-claims are political power plays, and that the meaning of words is to be determined by readers, not authors (James, 2006). In brief, post-modern theory sees reality as what individuals or social groups make it out to be. Post-modernism is a commonly accepted approach in recent time amongst intellectuals in the arts and social sciences. It is a novel imagination and thought in social theory with no clear definition for the term. Post-modernists are interested in a psychedelic imagination of the world. The theory rejects 'foundationalism' and tends to be relativistic, irrational and nihilistic. Post-modernism is a reflection on whether it is possible to find rational solutions for society's problems. Post-modernists question some foundations, such as the system which tends to privilege some groups and downgrade the importance of others, give some groups power and render some groups powerless (Ritzer, 2012, p. 630).

The thinking in post-modernism involves the conscious development of the mind to see society as a place for everyone, irrespective of race, creed and religion. The development of knowledge, of tolerance, accommodation, comprehensive reasoning, humanism and other utilitarian principles act as the basis of post-modernism. Post-modern knowledge is not simply a tool of authorities, since it refines our sensitivity to differences and reinforces our ability to tolerate the incommensurable. According to Ritzer (2012, p. 630), post-modernists reject the ideas of a grand narrative or a meta-narrative. It is in the rejection of these ideas that we encounter one of the most important contributions of post-modernism. Lyotard (1984, p. xxiii) is of the view that post-modernism begins by identifying modern (scientific) knowledge with the kind of single grand synthesis (or 'meta-discourse') associated with the work of theorists such as Marx and Parsons. The kinds of grand narratives he associates with modern science include "the dialectics of spirit, the hermeneutics of meaning, the emancipation of the rational or working subject, and the creation of wealth.

4.3 Public Administration versus public management

Time and again, the two concepts, 'public administration' (PA) and 'public management' (PM), are interchangeably used, but it is essential to note that there exists certain nuances between them. Therefore one must clear the confusion which exists in the use of these two concepts and explain them more fully. Raadschelders (2011, p. 147) insists that academic PM (or public administration/PA) while disciplined, is not itself a discipline. This is not a terribly underprivileged condition, because neither are most other social sciences. In terms of theories and methodologies, PM/PA has always been pluralist and remains resolutely so. Again, this is not so different from other social sciences. Where public administration is a field of study defined by its material object, its theoretical make-up is a mosaic with a rich variety of theo-

ries and conceptualisations about government which are successfully used in public administration scholarship.

The words are close in meaning, but a brief foray into semantics allows a case to be made that the terms ‘management’ and ‘administration’ are significantly different and that a manager performs a different role from an administrator. The Oxford Dictionary defines administration as: ‘an act of administering’, which is then ‘to manage the affairs of’ or ‘to direct or superintend the execution, use or conduct of’, while management is: ‘to conduct, to control the course of affairs by one’s own action, to take charge of’. The Latin origins of the two words also show significant differences. Administration comes from minor then *ministrare*, meaning: ‘to serve’. Management comes from *manus*, meaning: ‘to control by hand’. The essential difference in meaning is between ‘to serve’ and ‘to control or gain results’. From these various definitions it is argued that administration essentially involves following instructions and service, whilst management involves firstly, the achievement of results, and secondly, personal responsibility by the manager for results being achieved. Public administration is an activity serving the public, and public servants carry out policies derived from others. It is concerned with procedures, with translating policies into action and with office management. Management does include administration (Mullins, 1996, pp. 398–400), but also involves organisation to achieve objectives with maximum efficiency, as well as genuine responsibility for results. These two elements were not necessarily present in the traditional administrative system. Public administration focuses on process, on procedures and propriety, while public management focuses on achieving results and taking responsibility for doing so (Hughes, 2003, p. 6).

4.3.1 Public administration

In the middle of the 20th century, ‘public administration’ was labelled as the study of the work of civil servants and other public officials (including their interface with politicians who passed legislation and set public policy (Bovaird and Löffler, 2009, p. 6). However, public administration is the machinery as well as the integral process through which the government performs its functions. It is a network of human relationships and associated activities extending from the government to the lowest paid and powerless individual charged with keeping in daily touch with all resources, natural and human, and all the aspects of society life with which the government is concerned (Nnoli, 2003, p. 10). Therefore, public administration is multifaceted, and the art, craft and science of public administration are attempts to understand government in society and the complex relationships between those who govern and those governed (Raadschelders, 2011). Pollitt (2016, p. 6) provides a summary of the alleged differences of character and focus between public administration and public management. He insists that public administration (PA) is mostly about old-fashioned, traditional, introverted static hierarchies and procedures. It also focuses on following rules (compliance and accountability), and on the

machinery of government, whereas public management (PM) is dynamic in terms of leadership and innovation. PM focuses on managing resources (efficiency and performance) and on multi-stakeholder governance.

Rosenbloom (1986) argues that 'public administration is the use of managerial, political and legal theories and processes to fulfil legislative, executive and judicial governmental mandates for the provision of regulatory and service functions for society as a whole, or for some segments of it'. This is a comprehensive, overarching definition, putting within public administration every conceivable part of the public sector.

4.3.2 Public management

Public management can be described as an approach which uses managerial techniques (often originating in the private sector) to increase the value for money achieved by public services. It therefore covers the set of activities undertaken by managers in two very different contexts: in public sector organisations and in public service organisations, whether in public, voluntary or the private sectors (Bovaird and Löffler, 2009, p. 6). Ott, Hyde and Shafritz (1991, p. ix) saw public management as a branch of the larger field of public administration or public affairs; the part which 'overviews the art and science of applied methodologies for public administrative programme design and organisational restructuring, policy and management planning, resource allocations through budgeting systems, financial management, human resources management and programme evaluation and audit'. Some earlier usage, particularly in the United States, viewed public management as a technical sub-field of public administration.

4.4 The rise of the governance era

The concept 'governance' has various meanings. According to the World Bank (1989, p. 60), governance means the exercise of political power to manage a nation's affairs. The Canadian Institute on Governance defines it as the process whereby societies or organisations make important decisions, determine whom they involve and how they render account (www.iog.ca). Furthermore, Governance International in the United Kingdom argues that public governance is how an organisation works with its partners, stakeholders and networks to influence the outcomes of public policies (www.govint.org). Kooiman (1993, p. 258 cited in Bovaird and Löffler, 2009, pp. 216, 258) provides a detailed definition as he stresses that governance is the pattern or structure which emerges in a socio-political system as a 'common' result or outcome of the interacting intervention efforts of all involved actors. This pattern cannot be reduced to the outcome produced by one actor or group of actors in particular. Governance implies 'steering' or employing some mechanism(s) of providing coherent direction to society. This conception of governance assumes

that there is a need for at least some central direction if a society is to be successful in coping with all the challenges which face it.

According to Bovaird and Löffler (2002), almost all definitions contain some common elements which show that governance:

- assumes a multiple stakeholder scenario where collective problems can no longer only be solved by public authorities, but require the cooperation of other players (citizens, business, voluntary sector, media, etc.) – and in which practices such as mediation, arbitration and self-regulation may often be even more effective than public action;
- recognises the importance of both formal rules (constitutions, laws, regulations) and informal rules (codes of ethics, customs, traditions), but assumes that negotiation between stakeholders seeking to use their power can alter the importance of these rules in specific situations;
- no longer focuses only on market structures as steering mechanisms, as in conventional ‘New Public Management’ approaches, but also considers hierarchies (such as bureaucracies) and cooperative networks as potential facilitating structures in appropriate circumstances;
- does not reason only in terms of the logic of ends and means, inputs and outputs, but recognises that the characteristics of the key processes in social interaction (transparency, integrity, inclusion, etc.) are likely to be valuable in themselves; and
- is inherently political, concerned as it is with the interplay of stakeholders seeking to exercise power over each other in order to further their own interests – and therefore cannot be left to managerialist or professional decision-making elites.

Contemporary attention to the business of government has concentrated on themes of governance. Scholars, particularly Rhodes (1996; 1997), observed the changing nature in which government conducted its business with a host of stakeholders and through networks. He argued that there were new ways in which governing was taking place – through various interactions of network actors which he described as ‘governance’. Moreover, Rhodes (2000, p.61) insisted that these networks are characterised, firstly, by interdependence between organisations. Governance is broader than government, covering non-state actors... Secondly, there are continuing interactions between network members, caused by the need to exchange resources and negotiate a shared purpose. Thirdly, these interactions are game-like, rooted in trust and regulated by the rules of the game... Finally, the networks have significant degrees of autonomy from the state. Networks are not accountable to the state; they are self-organising.

Governance is becoming steering ‘at a distance’. Even if performed at a distance, this ‘steering’ may still create governance through government if some capacity to guide, to direct, to influence, if not necessarily to control completely, ac-

tions in the economy and society, remain in place for those governments (Kickert, 1997; Bovens, 1990). Furthermore, Stoker (1998, p. 17) added that governance is ultimately concerned with creating the conditions for ordered rule and collective action. The outputs of governance are not therefore different from those of government. It is rather a matter of a difference in processes. According to Kooiman and van Vliet (1993, p. 64), governance refers to the development of governing styles in which boundaries between and within public and private sectors have become blurred. The essence of governance is its focus on governing mechanisms which do not rest on recourse to the authority and sanctions of government. The governance concept points to the creation of a structure or an order which cannot be externally imposed, but it is the result of the interaction of the multiplicity of governing which influences actors.

Perhaps the dominant feature of the governance model is the argument that networks have come to dominate public policy. The assertion is that these amorphous collections of actors - not formal policy-making institutions in government - control policy. State agencies may place some imprimatur on the policy, or so the argument goes, but the real action occurs within the private sector. In addition, in the more extreme versions of the argument, if governments attempt to impose control over policy, these networks have sufficient resilience and capacity for self-organisation (Kooiman, 1993; Marsh and Rhodes, 1992; De Bruijn and ten Heuvelhof, 1997) to evade the control of government.

The traditional bureaucracy, as Weber conceived it and was in its essentials implemented in the growth of public service structures, required a hierarchical and specialised division of labour, operation according to standardised rules in which all cases were treated equally, the pre-eminence of expertise and 'men of reason' as decision-makers, and the separation of politics from administration. Yet, especially in Anglo-American countries over the last number of decades, a subject of much academic and practical interest has become the enabling of members of the public to engage directly with decision-makers in determining key public policy choices (i.e., public participation or citizen engagement). In short, we have seen many arguments for the importance of democratising public administration. The role of the public administration practitioner is fundamentally implicated in the creation of this new democratic linkage. The success of public participation involves a change in the conception and organisation of public sector agencies (Smith, 2010, p. 239).

4.5 Identity crisis in public administration

In recent years, the concern for ascertaining the status of public service as an authentic public domain seems to have diminished worldwide under the emerging market-driven mode of governance. Public service itself has undergone a business-like transformation, especially under the influence of the current global context

characterised by the triumph of market forces and the reorientation of state policies toward deregulation, privatisation, and liberalisation (Haque, 1996). The traditional conceptualisation of the public sector has come under increasing strain during the past several decades. The idea that national governments are the major actors in public policy and that they are able to influence the economy and society through their actions now appears to be in doubt. Some of the strain on national governments has been the result of the increased importance of the international environment and of an arguably diminished capacity of those governments to insulate their economies and societies from the global pressures. Those pressures on national governments come about through international capital markets (Strange, 1996; Hirst and Thompson, 1996; Peters, 1998), as well as through supranational organisations such as the European Union (Scharpf, 1997). Another strain on the traditional conception of governing arises from changes in the relationship between government and the private sector. At the extreme it is argued that “governance without government” is becoming the dominant pattern of management for advanced industrial democracies (Rhodes, 1997; Peters and Pierre, 1998, p. 223).

4.6 Academics’ role in the practice of public administration

The practices of public administration can be summarised through the politics/administration interface which refers to the interaction between policy formulation (politics) and policy implementation (administration). The effectiveness of any public service depends mainly on how healthy the relationship is between the two main actors in the public service. In this section, emphasis is placed on the role of academics in policy formulation and policy implementation. Pollitt (2016, pp. 118–120) insisted that, taking into account the variety of practitioners’ needs and motives, one may distinguish a number of different ways in which academics are able to offer something of value to practitioners. He suggests the following ways:

- ***Agenda setting and re-framing:*** academics may be asked to identify future (“coming”) issues or to reflect on challenging and innovative ways to address existing problems (re-framing). This can be done through a wide variety of instruments – from the advisory commissions.
- ***Expert moderation of inter-party or inter-institutional discussion:*** academics can act as the neutral but expert steering persons when there is a need to restrain factionalism or inter-institutional rivalry in policy discussions. This role is probably more common in multi-party systems than one-party governments. It also occurs in international settings.
- ***Conceptual clarification:*** for example, what is meant by “public accountability”? How do you define “quality”? These are issues where the academic is probably familiar with a wide range of literature in which such issues are discussed, which will not be known to the average practitioner. Academics are trained to be aware

of definitional issues, and can frequently help managers to sharpen their formulations. In particular, academics can usefully insist that the problem(s) to be solved are defined as clearly as possible. This can help managers to work hard on problem identification and diagnosis, before they reach a solution.

- **Questioning false assumptions:** this is a kind of therapy function. Academics are trained to ferret out underlying assumptions and drag them into the light. They can do this for politicians and managers, just as they can for students. This can prove surprisingly useful. For example, when discussing the modification of a public service to better fit the expressed wishes of its users, it can be valuable to ask whether the reform is being carried out on the assumption that the modified service will still attract the same group of users. How reliable is the assumption? Are there trends which are changing the mix of users (for example, more elderly users, more users who do not have good language skills, more users from a particular ethnic group?). Another example would be the assumption that bonus pay will incentivise public servants to work harder. In some circumstances this may work, but in many it apparently does not. The assumptions about the beneficial effects of merit pay also tend to overlook the motivational impacts such systems have on those staff who do not receive a bonus.
- **Guidance on how to structure decisions:** some academics are experts in decision analysis and can advise managers on how to structure decision-making processes so as to more accurately and reliably reflect the underlying probabilities and values involved in a particular decision or series of decisions. Typically, this might involve modelling the decision, making value judgements more explicit, seeking the best possible information on the probabilities of alternative outcomes and advising on how, technically, to weight probabilities with values/utilities and to discount for effects which take place at different times in the future. Decision analysis has made considerable contributions to particular parts of the public sector (for example, healthcare, environmental safety issues), but much less so to some others (for example, social work or management reform itself).
- **Advising on how best to collect data:** academics usually have a strong training in social science methods. When a manager needs to know something, and that something requires research in order to find it out, she or he will frequently benefit from discussing with academics the selection of methods for data collection. It may be an issue of statistical sampling, or one of how to minimise bias in interviews, or what combination of methods to use when trying to establish what citizens want and expect from a particular service. Sometimes, of course, the academic advisers are themselves contracted to collect the data.

4.7 Challenges facing public service and administration

According to Farazmand (2010b, p. 1140), public service is experiencing a crisis globally, nationally and locally. This global crisis of public service has many dimensions. Understanding it requires a deeper understanding of the underpinnings which shape the contemporary global trends and changes in socioeconomic and political systems, as well as in the global power structures which have been causing much of the public service crisis experienced all over the globe. It must also be understood in connection with other crises facing the entire planet and global humanity as a whole: financial crisis, moral and ethical crisis, environmental crisis, institutional crises, political and cultural crises, and a host of other crises which affect public service and administration worldwide.

The contemporary ethos of privatisation, charged with pro-market and anti-public sector sentiments (ILO, 1995, p. 60), has not only created problems for public service legitimacy and ethics, directly or indirectly, but has also posed a significant challenge to the motivation of public servants. On the one hand, the legitimacy deficiency of the public service has negatively affected public employees' perception of self-worth and personal significance (Perry and Porter, 1983, p. 177). On the other hand, the recent deviation from public service ethics caused by the infusion of market values has disturbed the unique sources of employee satisfaction which are immanent in the public service itself.

In recent years, the boundaries between the public and private sectors have become increasingly blurred as a result of policy innovations. Two important initiatives have been public-private partnerships (PPPs) and the involvement of the voluntary sector in the delivery of public services. The formation of PPPs is a worldwide phenomenon which makes greater use of private financing for public sector capital infrastructure provision (Bovaird and Löffler, 2009, p. 37). This development brought about a shift in the value of the public service. Hence, the public sector is no longer a sole provider of public services. There are currently public services which were essentially delivered by the public sector, but which are now under the responsibility of private or non-profit organisations. The main challenge here is posed in terms of monitoring and evaluation, as well as accountability. In addition to this, the growing importance of gender mainstreaming and the development of an associated human rights agenda have had an influence on policy in global and international institutions, particularly in the United Nations (UN), and this in turn has brought both gender mainstreaming and human rights into public policy and management. Policy initiatives can be seen widely across countries ranging from Bolivia to India and South Africa, from Canada to Australia and the 27 countries of the European Union. In modern days, the relationship between gender mainstreaming and human rights has been evolving into a wider "equality" agenda which seeks to mainstream "equality" as a wider approach to anti-discrimination and human rights, in order to address race and ethnicity, disability, sexual orientation, age, religious and

political belief, as well as sex and gender (Diamond and Liddle, 2012, p. 49). In order to remain relevant, public administration is compelled to reform and adapt on a regular basis, in order to keep up with the requirements of modern societies which are mainly affected by a globalised world.

4.8 The relevance of public administration in a modern state

Public service has been one of the longest and most cherished institutions of human history. In fact, civilisation, administration and public service have always developed together, one reinforcing the other. Throughout history, progress has been made towards improving the human lot, in which public service and administration have played a key role. Real progress in this direction was made during the last two centuries when social, economic and political struggles and innovations led to overall progress in human conditions for citizens worldwide. The rise of the modern nation-states and the growth of professionalism together with development in education and economic progress also contributed, to some degree, to this human progress around the world (Farazmand, 2010b, p. 1138). Modern public administration involves an inherent tension between better responsiveness to citizens as clients and effective collaboration with them as partners. This tension stems from tangible differences between the nature of responsiveness and the essence of collaboration. Whilst responsiveness is mostly seen as a passive, uni-directional reaction to the people's needs and demands, collaboration represents a more active, bi-directional act of participation, involvement and unification of forces between two (or more) parties. On the one hand, responsiveness is based on the marketplace view of better service for citizens as clients or customers. Answering their needs is seen as vital for government and public administration (G&PA) systems which seek extensive legitimisation and high performance. On the other hand, collaboration highlights a moral value of genuine cooperation and teamwork between citizens and G&PAs where each party is neither a pure servant nor the master, but a social player in the theatre of state (Vigoda, 2002, p. 527).

It is argued that governance networks can serve as spaces for deliberation and negotiation (Bogason and Musso, 2006). Networks as a means of service delivery, of programme evaluation, and of policy-making or priority setting, are seen by proponents as more suited to the complex circumstances of post-modernity than traditional hierarchical command-and-control bureaucratic structures. This responds to current pressures for public engagement (Smith, 2010, pp. 240, 253). Government organisations remain a part of the networks in these emerging models of governance, but they are conceptualised as dependent on the other actors to the same extent that those actors are dependent on government. This mutual resource dependency (Rhodes, 1988) at first characterised the relationship between central governments and sub-national government, but the argument has been extended to cover the gamut of relationships between central government organisations and

the other organisations with which they interact (Peters and Pierre, 1998, p.226). To this end, one can stress that the relevance of public administration in the governance era is demonstrated throughout the use of collaborative citizenship whereby public administrators approach the public, not from a perspective of experts with privileged answers, but as people charged with the responsibility of rolling-out processes which would help deliberate and discuss citizens' priorities, and above all, devise possible courses of action in order to implement available alternatives in partnership with relevant stakeholders and actors.

4.9 Conclusion

The main questions which this chapter addressed were concerned with the relevance of public administration in the age of governance with all the reforms and transformation made to the governing of public affairs. It asked whether public administration has become less dominant with the advent of governance, and whether the field of public administration can continue to play its noble role in governing societies.

As a discipline, public administration is and always will be relevant, since it is a continued research and scholarship of the study of government and incorporates the various changes which occur throughout time. This chapter has outlined the various aspects which would support the extent to which public administration remains relevant to the functioning of government, be it in developed or developing countries. It is, however, imperative that public administration moves toward public sector governance, in order to address the crises and challenges faced. In this era of governance, it is essential for governments to adopt the benefits of what governance can offer as an approach in governing public affairs.

Chakrabarty and Bhattacharya (2005) argued that administrative reform is a core theme of public administration and management. Furthermore, they stress that the post-World War II and the post-colonial Third World ushered in a new phenomenon which demanded urgent changes in public administrative structures, processes and behaviour, to bring about speedy development of the Third World. Development administration was brought forth in response to the special needs and requirements of development. In the meantime, revolutionary changes came about in the eighties, which marked the collapse of the Union of the Soviet Socialist Republic (USSR) and the eastern bloc, and along with it, the end of the Cold War. Within the developed capitalist countries, almost simultaneously, there was the rise of strong anti-bureaucratic, anti-state criticism directed against what came to be called government overload as a consequence of welfare backlash. It was argued that the state has, over the years, taken upon itself a large array of activities which have inflated its budgetary and financial commitments, and led to the overgrowth of bureaucracy. The battle cry was thus to downsize government and allow more

free play to the market and to civil society – giving rise to the new ideology of neo-liberalism. Two other strands of thought also gained prominence during this period: environmental management as a global concern, and decentralisation and people-centric, local participative management. The neo-liberal thought found favour with the Western donor agencies such as the World Bank (The Bank) and the International Monetary Fund (IMF), which were engaged in the funding of the development projects of the debt-ridden Third World. The convergence of thought with regard to change reached its apogee in the newly emergent phenomenon of globalisation, facilitated by the free flow of funds, goods and services, as dictated by the new conditionalities laid down by the World Trade Organisation (WTO), and by the new IT revolution which has swept the world. All of this has impacted on government and public administration, giving rise to the momentous ideological and institutional turning point in the evolution of public administrative thinking on reform, or the more recently coined word “innovation”.

Ferlie et al. (2005) are of the view that public management often engages via networks rather than within the confines of a single, hierarchical bureaucracy. Therefore it requires collaboration and coordination for success, and managers exercise minimum control. Actors in networks are located in bureaucracies which are connected with other organisations outside the lines of formal authority and are encouraged by policy-makers; others emerge through mutual agreement among organisations or individuals who find common interests served by working together on a regular basis. Networks are made up of all types of organisational interactions, including multiple connections and complex entities.

In this chapter the main question was whether public administration has become less dominant with the advent of governance. Simply put, the governance era assigns a new role to public administration. This role requires that the bureaucracy strives to manage networks and also to work collaboratively with other actors composing the network (e.g. citizens, business and non-profit sectors), with the aim of realising a dream of a collaboration and cooperation in serving public interests. Moreover, public managers are also required to be sensitive to the rise of globalisation. Managers are required to think globally, but to act locally. To this end, it is essential to stress that despite the changes and reforms brought forth in the functioning and operations of public administration in the last three decades, its role and significance have not diminished. Bureaucracy still does and will continue to play a critical role, even in this era of governance. However, boundaries between the public and the private sectors will obviously vary, depending upon the vision of the ‘good society’ that is dominant at any particular time. Irrespective of where these boundaries are drawn, and whatever the size of the respective sectors, the relationships between public and private sectors will need to be re-established and managed effectively. Jackson and Stainsby (2000) insist that relationship management is central to public governance. As a result, Jackson (2001) notes that deciding where the boundaries of the state should be drawn, and then managing the resul-

tant cross-sector relationships, results in a new role for government, as a 'broker', of relationships in order to add value. To this end, one can conclude that public administration is and will remain relevant, in spite of reforms and changes which will occur throughout time.

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Chapter 5

Improving the Governance of Metropolitan Municipalities in South Africa by Enhancing Intergovernmental Relations

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Abstract

Municipalities in many developing countries are charged with the responsibility of improving the general wellbeing of citizens. Therefore, they are pivotal in promoting and maintaining the developmental imperatives of any nation. In South Africa, municipalities find themselves plagued with developmental challenges. This requires them to innovatively and creatively address such challenges. The chapter argues, taking South Africa as an example, that a modern municipality is a significant role-player towards achieving development, thereby improving the living conditions of its citizens. It is observed that often the scope of responsibility of a municipality increases with the magnitude of the challenges faced. For example, municipalities are now becoming more responsible for a greater scope of issues, ranging from health care to social welfare. The existing research points to the exact nature and relationship which the local government sphere enjoys with the local communities and its endeavour to provide regular services to its citizenry.

Based on a literature analysis, this chapter concludes that the municipalities are crucial stakeholders in community development and points to the urgent need for a review in the implementation of indigent policies by municipalities, which are mostly inconsistent, although they offer a variety of benefits depending on the availability of resources in a specific municipality. This is relevant for many developing countries, as they all aim at strengthening the capacity of municipalities to effectively address the developmental challenges confronting their governments.

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Key words

Metropolitan municipalities, indigent policy, urbanisation, population growth, service delivery

5.1 Introduction

The significance and imperativeness of municipalities are indisputable. This is a result of the responsibility which municipalities have in ensuring reliable, regular and sufficient essential service-provision to communities. Thus, their *raison d'être* is to bridge the gap between the national government and local communities, thereby bringing government closer to communities. Through the principle of subsidiarity, the local government sphere is assigned the powers to provide services that a municipality will be best placed to deliver (Madumo, 2017, p. 10). The intergovernmental relations arrangement between national, provincial and local spheres of government, when effectively managed, enables the provision of services in an effortless manner (Malan, 2014, p. 57). The purpose of this chapter is to ignite a discourse on how municipalities play their role in addressing issues pertaining to social welfare through the implementation of their respective indigent policies. In particular, the goal is to investigate the implementation of the indigent policies passed by the respective councils of metropolitan municipalities in South Africa. This is the only category of municipalities reserving a substantial part of its budget for the implementation of indigent policies, due to its relatively larger and more diverse populations.

The chapter will firstly address the four significant roles of the state. This explicates the main assumption for the general existence of the state and its government. Secondly, the chapter discusses the role and functions of a municipality, thereby elaborating on how metropolitan municipalities are critical enablers of development within the sub-national government. The third aspect to be covered in the chapter is a discussion of the phenomenon of metropolitan municipalities. This discussion is contextualised within a comparative local government environment as arranged in South Africa. In this regard, the discussion will also highlight urbanisation and a population explosion as modern challenges for metropolitan governance. Furthermore, the significance and implementation of an indigent policy in municipalities is addressed. Thus, this discussion includes a comparison between the different metropolitan municipalities in South Africa, in order to indicate the benefit of some metropolitan municipalities measured against others. Finally, the challenges facing local government in implementing an indigent policy, together with the suggested solutions, are discussed. This discussion is followed by concluding remarks.

5.2 Role of the state

Prior to discussing the role of the state, it is imperative to distinguish between the concepts of “government” and “state”. The state can be defined as a nation or territory considered as an organised political community under one government (Concise Oxford English Dictionary, 2011, p. 1409). The government is referred to as the system by which a state or community is administered (Concise Oxford English Dictionary, 2011, p. 616). Therefore, the government is considered to be the mechanism through which the state achieves its objectives. It can thus be deduced that a government cannot practically exist without a state, but a state could exist without a properly functioning government. Hence the term, “failed states”, when a state continues to exist, but public services are not provided as expected by society (Heywood, 2007, p. 105). The most important features which constitute a state include: sovereignty, the government, a population and a territory (Heywood, 2007, p. 91). Accordingly, Theletsane (2014, p. 42) posits that the state has an inherent authority, whereas the government obtains its powers and authority from the legal framework of the state. For instance, the functioning of the Government of the Republic of South Africa is guided by the existing pieces of legislation, with the Constitution, 1996 as the supreme law (Section 2 of the Constitution, 1996). The purpose of this discussion is to elaborate on the role of the state, thus the distinction between the two concepts is imperative, in order to avoid ambiguity in the subsequent discussion.

The role of the state is multi-dimensional. This implies that the state is required to fulfil a variety of responsibilities. Depending on the form of a state, i.e. minimal states, developmental states, social democratic states, collectivised states or totalitarian states, a specific role could be prioritised over others. The duty of a state is to regulate public affairs, intervene in economic activities of the public, enable the empowerment of its population, and provide protection to its population (Heywood, 2007, p. 99–102). Municipalities, as the constituent elements of a sub-national government, are involved in managing and administering the affairs of the communities within specified and prescribed boundaries. In essence, municipalities are also involved in the regulatory, enabling, intervening and protective role, owing to the fact that through its municipal council, the municipality has the legislative authority to make decisions to that effect and to provide executive direction. This verifies that municipalities can make public policies and enforce them (Andrews and Nwapi, 2018, p. 48). Each of these roles is now elaborated upon.

5.2.1 Regulatory

According to Hughes (2003, p. 72), the state, through the government, plays a regulatory role by putting in place the necessary legal framework and/or set of rules, in order to enforce and to oversee the activities involved in the public and private lives of its population. This implies that a state uses its coercive power to regulate

particular activities in the quest to achieve the goals, objectives and needs of the people (Heywood, 2007, p.99). For instance, a municipality ordinarily effects its regulatory functioning through the enforcement of by-laws. Consequently, municipalities enforce their legislative authority to ensure that residents comply with the predetermined standards as set out. For instance, the municipality will enforce a policy on revenue collection for services provided to its residents.

5.2.2 Enabling

The enabling role resonates with the idea of minimising the reliance by society on the government. The key feature of an enabling government is the empowerment of its people. In order for the government to promote the enabling function, it has to create an environment which is conducive to the purposes of promoting human capital development, so that the population does not rely entirely on the government for the sustenance of their livelihoods (Mubangizi and Mkhize, 2013, p.30). Empowering individuals within the municipality through the Extended Public Works Programme and other initiatives is intended to propel work opportunities to underprivileged individuals (Department of Public Works, 2009, p. 15; Department of Public Works, 2015, p.2).

5.2.3 Intervention

The interventionist role of the state is inextricably linked to the enabling role. Through the state's intervention in social, economic, healthcare and related activities, it becomes clear that the consequence of such intervention will be to enable the empowerment of the people (Madumo, 2012, p.43). Municipalities are obliged to render services with the view of improving the quality of lives of the communities, thereby ensuring adequate development within the living space of individuals. However, in an emerging economy such as South Africa, where poverty levels are high, at 55.5 %², it becomes imperative for the government to ensure that the wellbeing of its people is not compromised and no-one is excluded from the basic services provided by municipalities (South Africa, n.d, p. 8; StatsSA, 2017, p. 14). Thus, municipalities are mandated to establish a social safety net, through the provision of the Free Basic Service Programme, where a capped quantity of water and electricity are provided to those individuals deemed to be indigent, in accordance with the specific municipal indigent policy (South Africa n.d, p. 9). Municipalities can intervene by providing services without any expectation of collection of rates from these impoverished individuals. This is done to maintain a minimum standard of services for the indigent. However, a municipal council can also introduce rates and taxes

2 According to Statistics South Africa (StatsSA), poverty is calculated using the upper-bound poverty line (UBPL) of R992 per person per month based on 2015 prices. This translates to an estimated 30.4 million (out of approximately 55.5 million) South Africans who lived below the poverty level in 2015.

on them, or only on the rest of the municipal community, in order to raise sufficient revenue to cover the inability to collect revenue from the indigent.

5.2.4 Protection

The greatness of any government is measured by how it treats and protects the most vulnerable members of society. The protective role of the state is preceded by the regulatory role, as laws, regulations and policies have to be established before measures of protecting the individuals are implemented (Thornhill and Cloete, 2014, p. 84). For instance, prior to any forced removal of illegal squatters in an area, the burden rests upon the municipality to find an alternative place for them to reside. The landmark case of *South Africa and others vs. Grootboom* has set a precedent in this regard. In its judgement, the Constitutional Court (established by Justice Yacoob) has ruled that people should not be evicted until the government has provided an adequate housing alternative for them (Constitutional Court of South Africa, 2000). The important element of the protective role of the state concerns the protection of human dignity (South Africa, 2000, [4][3]). The government does this by sustainably providing the necessary services to communities in an equitable manner. This is intended to improve the quality of lives of people, irrespective of their social background or class, in accordance with the Bill of Rights contained in Chapter 2 of the Constitution, 1996.

The above mentioned roles of the state, i.e. regulatory, enabling, interventionist and protective, are intertwined and related. Thus, the state, through its necessary structures of government, has to ensure that it adequately addresses these roles in order to guarantee the development of communities. Developmental local government, by its very nature, strives to create communities which exist within an environment that is conducive to growth and development (South Africa, 1998, p. 44–45). Hence, the goal of developmental local government is to charge municipalities with an indirect responsibility to address the challenges relating to poverty, unemployment and inequality. Through the prescripts enshrined in Section 41 of the Constitution, 1996, which also concern intergovernmental relations, municipalities have to engage communities on how best to solve the challenges (South Africa, 1996, Section 152[1][e]). Through the mechanisms and different pieces of legislation within the government, various organs of the state are responsible for the effective performance of these roles. This is significant since municipalities are in direct contact with the communities within which they serve. Therefore municipalities are in a better position to identify poor households and further intervene by administering government relief, in the quest to improve the quality of their lives.

5.3 Role and functions of municipalities

Municipalities are a microcosm of the general society within a particular state. This implies that municipalities do not exist and operate in isolation, but their ideals will be shared with the communities within which they are established to serve. Therefore, within a developmental context, the aims of a particular municipality will somehow resemble the objectives of its national/central government. As the primary reason for the existence of governments is to ensure that the societal well-being of the people within its state's territory is achieved through service delivery (Du Toit, 2002, p.62), governments must administer, so as to provide the services which a society requires in order to improve or maintain living conditions. In most states, governments are divided into three, sometimes two tiers/levels/spheres of government, with direct and clear delineation of power, roles, functions and responsibilities. This division is necessitated by the desire to provide services to society in a manner which is effective and efficient. Hence each tier/level/sphere of government is required to make provision for the delivery of specific services (Madumo, 2012, p.43). For instance, the most commonly desired services, such as the need for defence and police, are a responsibility of the national or central government, whereas basic services, e.g. the provision of water and electricity, are mostly devolved or delegated to the local government tier/level/sphere (Thornhill and Cloete, 2014, p.5). Apart from the above mentioned divisions, in most states that classify as being democratic, governments comprise specialised branches with integrated functions such as legislative authority, executive authority and judicial authority, thus promoting the doctrine of separation of powers (Madumo, 2017, p.94–95). The separation of powers refers to the establishment of checks and balances in the functioning of each of the three branches of government. This model provides for a system which emboldens the branches of government to institute checks and balances amongst one another and to provide measures to enforce accountability for actions taken (Madumo, 2017, p.94–95).

A municipality, as an organ of a particular state, has the responsibility to provide services to its constituent communities. For services to be delivered by any organ of state, important functions should at all times be exercised to ensure that appropriate mechanisms are established to achieve the delivery of services in an effective and efficient manner. The functions of a municipal council include *inter alia* planning, decision-making and legislative oversight (Thornhill and Cloete, 2014, p.59). Thus, it could be argued that for the municipality to provide services effectively to communities, its municipal council should be assigned with the required fiduciary powers and functions.

5.3.1 Decision-making

Decision-making is an important phenomenon that is all encompassing in both the work environment and private lives of individuals (Brynard, 1997, p.120). Accord-

ding to Simon (1997, p. 3) and Starling (2005, p274), decision-making could also be referred to as a process of consciously selecting one course of action from various alternatives, and making it an integral part of the planning process. This implies that decision-making is an activity in which a choice is made of the preferred action from two or more alternatives. To achieve an objective by decision-making, it is important that the person engaging in the activity possesses the ability to (Brynard, 1997, p. 122):

- Discern;
- Inspire creativity and have experience; and
- Analyse both qualitatively and quantitatively.

Within the work context, decision-making is often a group exercise. Hale and Whitlam (1997, p104) suggest that decision-making in groups is complex, since the process has to contend with the challenges of data processing and behavioural attitudes of individuals. It is believed that working in groups determines the synergy required in order to achieve the organisational objectives. Thus, the output that is achieved in a team effort should be greater than the sum of the parts. This means that the quality of decisions made by a group is expected to be greater than that of individuals added together. For instance, if the municipal council embarks on a decision-making process to determine which organisation to contract to provide services on its behalf, members of the council, together as a team, will have to share knowledge and experience in order to engage in (i) problem identification, (ii) developing alternatives, (iii) analysing the alternatives, and (iv) choosing the most suitable alternative. Therefore, the quality of the choice of the most suitable alternative (output) should be greater than a combination of the choices of different individuals on possible alternatives (outputs) (Madumo, 2017, p. 100). Thus, through a team effort, a municipal council should be able to make a decision that is rational, on which basis a service provider should be appointed.

5.3.2 Planning

According to the Concise Oxford Dictionary (2011, p. 1096), the term “planning” denotes a decision made in advance as preparation for an anticipated event. In the public arena, this refers to a process of involving all stakeholders in the activity of deciding what to do, how to do it, when to do it, and who has to do it. The concept of planning in the local government environment could be construed to refer to the ability of municipalities to bring order to future endeavours in pursuit of service provision within the demarcated area of a municipality. Thus, municipal planning could be seen as a preparation made in advance to ensure that municipal objectives are achieved, especially the decisions relating to the provision of basic and other municipal services in accordance with the residents’ expectations. In most countries, the term municipal planning is used interchangeably with town or urban and regional planning, which means the intentional arrangement or management

of a municipality's spatial environment on the earth's surface with a view to create and maintain social order (Forbes, 2011, p. 2). For the purpose of this chapter, it is argued that municipal councils play an important role in facilitating a platform for the co-ordination of an integrated development planning process. This implies that a municipal council is not directly responsible for planning, but rather utilises the outcomes of the planning process to establish its decisions. Through the integrated development planning, municipalities are able to determine the needs of communities and initiate mechanisms to arrange them in order of priority, in their quest to provide solutions to such needs. This entire process has to be carried out in the most effective manner, such that service delivery is not interrupted in the process (Björstig et al., 2018, p45).

Planning, as one of the core functions of management, refers to a process which formulates strategies and goals in order to allow for a clear articulation of the method to be utilised to achieve such goals (Smit et al., 2013, p. 130). Simon et al. (1950, p. 423) regard planning as an activity which concerns itself with proposals for the future. This means that planning is a process where alternative proposals are evaluated and necessary methods are applied to achieve a particular outcome. Planning could also be described as the basic management function which encompasses the purposeful consideration and visualisation of the goals the organisation, or components of an organisation, should achieve in order to succeed, within a particular timeframe despite the uncertainty of the future (Kroon and Van Zyl, 1990, p. 111). Thus, the planning process involves a creation of particular goals with the sole purpose of achieving them, so that the organisation can succeed in fulfilling its mandate. Donnelly et al. (1981, p. 65) assert that these goals must be stated in terminology that is understandable and acceptable to those who are tasked with achieving them. This implies that the planning process ought to involve all the relevant stakeholders responsible for achieving a specific objective.

Accordingly, it is deduced that plans, that is, a structured outline to achieve goals, occur due to the planning process. Subsequently, decision-making is an integral activity in the planning process, as the plans aim to fulfil the organisational mandate effectively and with minimum possible risk. Planning is an important management function, as the plans prepare the organisation to make decisions which will most effectively lead to its appropriate functioning.

5.3.3 Legislative oversight

Legislative oversight is prevalent mostly in a Westminster political system. South Africa espouses the Westminster political system due to its colonial history and the relationship which the country shared with Britain (Heywood, 2007, p. 33). The South African Legislative Sector (2012, p. 4) defines legislative oversight as a proactive interaction which should be initiated by the legislature with the executive branch of government and its administrative component. This interaction is

intended to encourage compliance by the executive with the constitutional obligations on the delivery of the agreed objectives which will enable the achievement of government priorities. Furthermore, Parliament (South Africa, 2009) defines legislative oversight in the South African perspective as being a process which entails the formal and informal, watchful, strategic and structured scrutiny exercised by legislatures, in respect of the implementation of laws, the implementation of the budget and the stringent compliance of statutes and the Constitution, 1996.

According to Schwartz (1957, p. 19), legislative oversight, as a concept, refers to the functioning of the legislature to exercise continuous watchfulness over the execution of the laws. This suggests that the duty of the legislature is to provide continuous oversight over the executive to implement the laws, and where necessary, render account for the actions taken. Ordinarily, the duties entailed in the processes of legislative oversight involve scrutinising the implementation of the laws by the legislative component over the executive branch of the government. This is important as it promotes accountability by utilising a system of checks and balances. Legislative oversight becomes more effective when the roles and responsibilities of each branch of the government are clearly stipulated. Thus, powers are suitably apportioned in accordance with the institutional arrangement which may exist within a specific country (The World Bank, 2002). In the context of the intergovernmental relations framework, each one of the branches of government is responsible to execute the mandate which that branch is constitutionally entitled to address (cf. Schedule 4 and 5 of the Constitution, 1996). For instance, the legislature should only focus on law-making and allow the executive to implement those laws and the courts to adjudicate. Thus, through these functions, an intergovernmental relations mechanism is easily facilitated wherein municipalities are able to identify and address the needs of communities, including those of impoverished individuals. The three functions exercised by municipalities are particularly important in urban municipal governance. Since metropolitan municipalities are now becoming more prevalent, due to the steady urban population growth, it would be necessary for caution to be exercised by metropolitan municipal councils in carrying out these functions, as they often deal with complex challenges in rendering services to their communities (The World Bank, 2016). The phenomenon of metropolitan municipalities will be discussed below.

5.4 Metropolitan municipalities

A metropolitan area could be considered as a central area which consists of a large population with communities that have a high degree of economic and social integration within its centre (Cameron, 1999, p. 18). The White Paper on Local Government (South Africa, 1998, p. 106) defines a metropolitan area as a large urban settlement with a high population density, a complex and diversified economy, and a high degree of functional integration across a large geographic area. This implies

that a metropolitan area is urbanised and characterised by the intense movement of people, who happen to be in the centre of the economic and social activities taking place within an area, i.e. they live and work within that area. Metropolitan municipalities propel urban growth which could create challenges in regulating the provision of goods and services within these urbanised communities. The problems which could be associated with *metropolisation*³ include poverty, infrastructural deficiencies, backlogs and lack of adequate service provision (Reddy, 2008, p.45). Lefèvre (1998, p.10) argues that the *raison d'être* of metropolitan governments is based on the notion of making an urban institutional system correspond to the economic and social development of cities. This implies that a metropolitan government is the product of the growth and development of the economy of an urban settlement. Thus, metropolitan areas are constituted as a result of a highly concentrated population with a vibrant economy and the potential to ensure a local government structure that will provide specific services in a more efficient and effective manner.

When the concept of a metropolitan government was first introduced in South Africa, it began as a two-tier system where the metropolitan area consisted of several local authorities beneath it (Thornhill, 1991, p. 10). For example, the Greater Pretoria Municipality was established as a metropolitan area, with various other local authorities, including *inter alia* Atteridgeville, Eersterust, Mamelodi, Laudium and Centurion (Thornhill and Cloete, 2014, p. 2). However, since 2000, the metropolitan government model has been reconfigured as a single-tier governing structure for an area with exclusive executive and legislative authority established to govern. This implies a single governing structure which commands authority in a specific area (Thornhill and Cloete, 2014, p. 3). An example is the City of Tshwane Metropolitan Municipality, which has the legislative and executive authority to govern within its area of jurisdiction (South Africa, 2000, Section 4 [2]). Compelling reasons for the establishment of metropolitan governments within the South African local sphere of government were advanced by the White Paper on Local Government (South Africa, 1998, p. 107–109). These reasons include the argument that a metropolitan government will: (i) create a basis for equitable and socially just metropolitan government; (ii) promote strategic land use planning, and coordinate public investment in the physical and social infrastructure; (iii) develop a city-wide framework for economic and social development, and (iv) enhance the economic competitiveness and wellbeing of the city.

According to Section 2 of the Municipal Structures Act, 1998, for a municipality to be classified as metropolitan, its area should comply with the following characteristics (South Africa, 1998a):

- Conurbation featuring:

3 Process of creating an area into a metropolitan centre which leads to high population and economic growth.

- areas of high population density;
- an intense movement of people, goods and services among areas within the municipality;
- extensive development;
- multiple business districts and industrial areas;
- a centre of economic activity with a complex and diverse economy;
- a single area for which integrated development planning is desirable; and
- an area which has strong interdependent social and economic linkages among the constituent units.

An area that does not comply with these requirements should be classified as a local municipality and/or district municipality (South Africa, 1998a, Section 3). Only particular urban areas complying with the criteria could be defined as metropolitan municipalities. There are eight such municipalities in South Africa, namely (South Africa 2016, p. 231):

- Buffalo City
- City of Cape Town
- City of Ekurhuleni
- City of Johannesburg
- City of Tshwane
- eThekweni
- Mangaung
- Nelson Mandela Bay.

It could be argued that *metropolisation* can only occur in specific urban areas, thereby increasing the population density of that particular area through rapid in-migration. For instance, each one of the eight above mentioned metropolitan municipalities in South Africa has a relatively higher population density in comparison with local municipalities (Main, 2015, p. 45–304). This phenomenon could be regarded as a consequence of a population explosion and will be further explored below.

5.5 Urbanisation and population explosion

A rapid increase in population in areas considered to be economic nodes will guarantee the establishment of metropolitan municipalities (Madumo, 2015, p. 155). Ordinarily, people migrate from rural areas and sometimes disadvantaged areas lacking physical, economic and social stimuli, to urban areas with the aspiration of a better life with economic opportunities. As a result, this creates a precarious situation in metropolitan municipalities, because they increasingly face challenges of providing adequate services to rapidly increasing populations within their jurisdictions (Madumo, 2015, p. 155). Since the world has become a global society, the

challenges facing governments, including municipalities, go beyond state borders and therefore have become issues of commonality amongst countries (Ijeoma, 2009, p.82). All over the world it becomes important to find a means of governing larger populations which are often characterised by complex challenges.

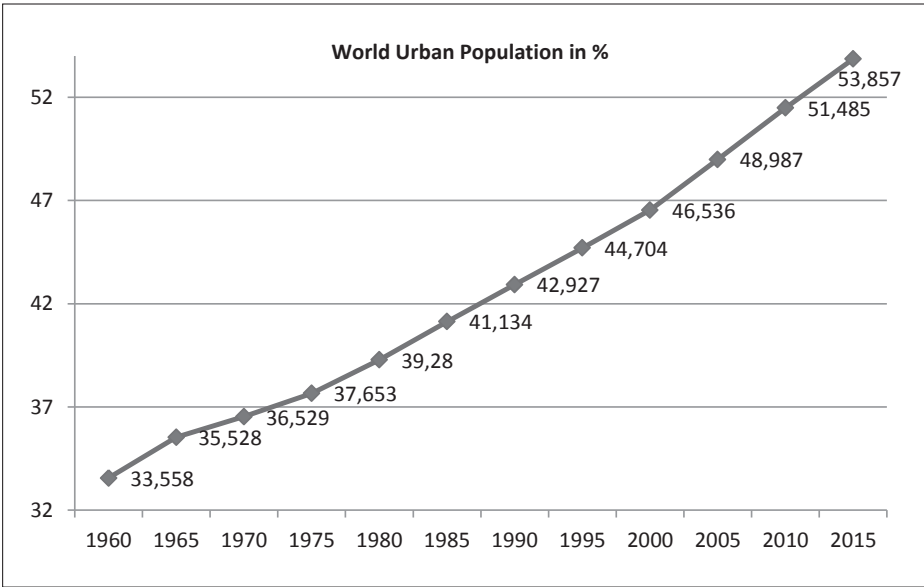
The significance of local government in some developed countries, such as the United Kingdom, is that it is aligned to the process of industrialisation, which is characterised by a significant movement of people from rural to urban areas (Stoker, 1991, p. 1). Gross and Hambleton (2007, p.3) argue that the global shift to the “knowledge economy” has made some cities such as Copenhagen and Stockholm the national economic drivers of their countries. As more people migrate to such cities to seek better economic opportunities, an imbalance is created within their physical environment and its governing structures. This imbalance is accompanied by problems associated with overcrowding, maintaining law and order, and providing adequate health services (Gross and Hambleton, 2007, p. 6). Public administration in the past century has seen countries being characterised by a notable growth in urbanisation, particularly between the years 1960 and 2015 as indicated in Figure 7.1. Urbanisation could be defined as a process of movement of people from the rural to urban areas. According to UN-Habitat (2013, p. 15), the trend in European countries is that of a movement away from rural areas as well as significant depopulation of smaller cities in favour of the metropolitan areas. The national urbanisation levels in Europe continue to increase, regardless of the national decline in the total urban population.

The number of the world’s urban residents is growing by almost 60 million every year, thus suggesting that the urban population will almost double by 2050. Gross and Hambleton (2007, p.5) posit that such an urban population growth is spectacular, because it will have a significant effect in the areas which have not been greatly urbanised in the past. This implies that the countries which are still in the process of development will probably experience the greatest urban growth. This could be attributed to the fact that developed countries such as the United Kingdom of Great Britain (UK) have reached their saturation point in terms of urbanisation, as shown in Figure 5.2. In 1960 about 33.6 % of the world population were urban dwellers and this urban population has since increased to 48.99 % in 2005 and ultimately to 53.9 % in 2015 (The World Bank, 2016).

In the UK, the urban population has grown over a period of 20 years from 78.4 % in 1995 to 82.6 % in 2015. Compared to the UK, the South African urban population has grown much faster from 54.5 % in 1995 to 64.8 % in 2015. Figure 5.2 provides a graphical presentation of the growth of urban dwellers in South Africa and the UK against the global average. On the graph, a positive correlation can be observed amongst the three units of analysis, implying that in all instances, the urban population has experienced an increase in the 20-year period, between 1995 and 2015. Thus it is suggested that a relatively under-developed South Africa

has experienced a 10.3 % growth rate in the 20-year period, whereas the United Kingdom has experienced a growth rate of 4.2 % of urban dwellers. The urban population growth in South Africa of 10.3 % on a 20-year cycle since 1995 is higher than the world average urban population of 9.2 % in the same timeframe (The World Bank, 2016).

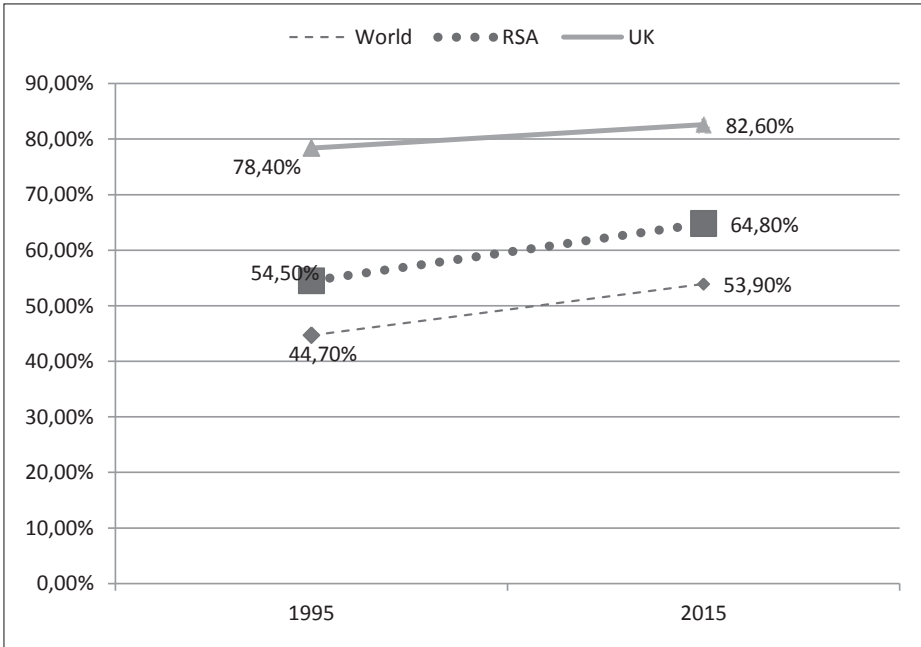
Figure 5.1
World urban population (1960–2015)



Source: Adapted from The World Bank (2016)

Since urbanisation is increasing in both the developed and developing African countries, the proportion of the world's urban population is expected to increase by about 10 % from 47 % in 2000 to about 57 % in 2050 (African Development Bank, 2012). The trend experienced in the developing regions, particularly in African countries, has been that of high urban growth since the early 1990s, where a yearly urban growth of 3.5 % was experienced. It is expected to continue until the year 2050 (African Development Bank, 2012). Consequently, urbanisation brings with it a myriad of challenges which end up being a primary responsibility of the sub-national government as they are closest to the people. For instance, rapid urbanisation will translate to high population density in a concentrated metropolitan area (Gross and Hambleton, 2007, p. 6). Municipalities will grapple with challenges associated *inter alia* with planning, decision-making, the economy and the provision of basic and other related municipal services (Gross and Hambleton, 2007, p. 6).

Figure 5.2
Urban population in RSA, the UK and the world



Source: Adapted from The World Bank (2016)

According to the International Monetary Fund (IMF) (2007), the consequences of urbanisation will create a precarious situation. This could pose challenges in relation to the quality of the livelihoods of populations within those cities. This is dependent on how urbanisation is managed. If the rate of service provision is consistent with the rate of migration, it is expected that urbanisation will propel higher economic growth and a general improved quality of life for the population. Municipalities have to be responsive to the demand of the delivery of services, as urbanisation will have an effect on how the decision-making, planning and legislative oversight of municipalities is adapted to meet the challenges related to urbanisation. The challenges facing an unresponsive municipality, in respect of addressing urbanisation, are the impediments to growth and development due to informal settlements and slums developing in an area. The consequence of this would give rise to other challenges such as (IMF, 2007):

- lack of potable water;
- lack of proper sanitation;
- lack of adequate living spaces; and
- pollution.

The urban population growth in South Africa requires proactive local government machinery which will enable adequate planning in order to minimise some of the challenges associated with urban migration. This is significant, since metropolitan municipalities are instrumental in the development of communities and improvement of the livelihoods of its citizens, particularly in a developing country such as South Africa. The following section will elaborate further on the challenges facing metropolitan municipalities in implementing indigent policies.

5.6 Significance, implementation and challenges of indigent policies in metropolitan municipalities

Through its jurisdiction, the South African Government has various possibilities to intervene in order to improve the quality of life of its citizens. For example, the national government is responsible for ensuring social security through various grants given to qualifying beneficiaries. Municipalities, through their respective indigent policies, also augment on the efforts of the initiatives passed by the other spheres of government, with a view to making a contribution to the efforts of achieving the goal of a poverty-free society.

Due to unemployment, which was estimated to be at 26.7% for Quarter One of 2016 in South Africa, there are households or residents that are unable to access or pay for the basic services offered by municipalities (StatsSA, 2016, p. xiii). These households are referred to as indigent and are entitled to a capped quantity of public services, i.e. the national minimum standard makes a provision for 50 kilowatt hours of electricity, per household per month, and 6 000 litres of water per household per month, to be provided in accordance with the Free Basic Services (FBS) Policy Framework of the Ministry of Cooperative Governance and Traditional Affairs (CoGTA) (South Africa, n.d., p. 30). Each municipality has to develop its own indigent policy which has to benchmark against the national policy framework. For instance, the Mangaung Metropolitan Municipality provides 10 000 litres of water for free, per indigent household per month, and not the prescribed minimum of 6 000 litres (Mangaung, 2016, p. 32). The City of Tshwane even provides registered indigents with 12 000 litres of water per household per month and 100 kilowatt hours of electricity per household per month (City of Tshwane, 2016, p. 58). This indicates that municipalities deviate from the original prescribed minimum as set by the CoGTA. The establishment of such a policy is naturally dependent upon the specific political values and priorities of a particular municipality.

The City of Johannesburg Metropolitan Municipality has a population of over 4.9 million and 2.63% of its population are indigent. For the financial year 2015/2016, the City of Johannesburg allocated over R800 million for the relief of 129 946 registered indigents (City of Johannesburg, 2016, p. 39; Main, 2015, p. 113; SA Cities Network, 2016, p. 11). The City of Cape Town Metropolitan Municipality

has a population of over 4 million and 6.28 % of its population are poor. The City of Cape Town has allocated over R1.9 billion for the assistance of 251 328 registered indigent residents (City of Cape Town, 2016, p.47; SA Cities Network, 2016, p.13) as illustrated in Table 5.1.

Table 5.1
Comparison between the eight metropolitan municipalities

Metropolitan municipalities	Population (million)	Indigent population (%)	Total cost of free basic services for 2015/2016 (R'000)
Johannesburg	4,949	2,63	895 193
Cape Town	4,005	6,28	1 984 824
Tshwane	3,275	2,74	1 865 148
eThekweni	3,702	1,86	1 494 154
Ekurhuleni	3,379	1,02	1 454 094
Nelson Mandela Bay	1,263	6,82	282 718
Buffalo City	0,835	6,49	302 412
Mangaung	0,788	4,13	131 777
Total	22,196	31,97	8 410 320

Source: Information adapted from City of Johannesburg (2016); City of Cape Town (2016); South African Cities Network (2016); City of Tshwane (2016); Main (2015)

From the statistics contained in Table 5.1, it can be deduced that indigent people in Cape Town are allocated about R7 897.35 per household per annum, as compared to R6 888.96 per household per annum which is allocated for the indigent in the City of Johannesburg. However, the amount allocated for the indigent is not conclusive, since the nature of the indigent population of the two cities might differ in terms of age, gender, marital status et cetera.

According to StatsSA (2017a, p.17–18), the population of South Africa is mostly youthful with more females than males. There is a pattern of a youth bulge, i.e. a population that has a great disparity between the youth and its elderly citizens. For instance, youth in the age range of 0–34 years (category) constitutes 66.33 % of the total population in South Africa. Implications of this to municipal planning, decision-making and legislative oversight in an effort to implement their respective indigent policies are significant. Thus, municipalities have to be pro-active in their governance functions, thereby allowing for an adequate and sustainable delivery of services to continue uninterrupted.

5.7 Discussion and conclusion

From the discussion above, the conclusion cannot but be that municipalities are crucial change agents of the government, since they play a significant role in maintaining the wellbeing of its citizenry. Through the discussion, it became apparent that municipalities have a specific responsibility to ensure the performance of the roles for which the state was originally established, namely to regulate, to enable, to intervene and to protect. For municipalities to effectively perform these roles, they have to establish a framework which will ensure easy integration with the original functions of municipalities as controlled by the municipal council. The functions exercised by the municipal council will have to give effect to the performance of the above mentioned roles. For instance, decisions have to be established to give effect to intervening in the affairs of the citizens within a municipality, especially regarding-intervening policies to aid underprivileged households.

Many metropolitan municipalities are responsive to the necessary provision of free basic services to their growing indigent population, as they allocate a substantial part of their budget to such poverty alleviation programmes. As illustrated in Table 7.1, over R8.4 billion has been allocated to the facilitation of indigent policies within the eight metropolitan municipalities which cater for approximately 40 % of the entire population of South Africa. Therefore, this chapter deduced that metropolitan municipalities are well placed to initiate intervention programmes such as the indigent policy, despite the fact that they were not established to render such social services, but rather to provide basic services to communities (South Africa, n.d, p. 8). Thus, such an initiative would, over time, necessitate enhanced collaborative efforts between the organs of the state within the social development cluster, together with municipalities in ensuring a seamless facilitation of the indigent programme.

Proper municipal governance is vital for the development of local communities. Municipalities are instrumental in the day-to-day lives of communities, as they ensure the provision of basic and essential services. This chapter addressed a discussion on the developmental challenges facing metropolitan municipalities in general and those in South Africa in particular. This discussion focussed on the implementation of an indigent policy in municipalities, thereby providing an analysis of the cost of the provision of free basic services against other municipal priorities. The chapter provided a discussion on the role of the state, with the emphasis on the responsibility of municipalities in achieving the broader objectives of its national government. These roles and functions include decision-making, planning and legislative oversight. They are important as municipalities have to exercise through them the authority to provide services in the most effective and efficient way. Furthermore, the phenomenon of metropolitan municipalities was discussed. Its main characteristics were identified and challenges associated with it were explored and aligned. Finally, the paper discussed the significance, implementation and chal-

lenges of indigent policies in metropolitan municipalities. The research conducted is significant in that it would contribute to the body of knowledge of local government, particularly on matters concerning the 'welfare' role of municipalities in developing countries.

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Chapter 6

Are Ward Committees Working in South Africa?

A Review of Existing Studies

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Abstract

Ward committees are meant to be platforms of local public participation. Extant literature shows that public participation promotes joint decision-making between local communities and local governments, a critical ingredient for development. In this regard, the South African Government has put in place an array of legislation in order to institutionalise participation. One such institution is the ward committee. However, research in the last five years shows that ward committees have not been effective in promoting participatory governance. Critics point out numerous weaknesses inherent in ward committees, such as the way in which people are nominated or elected to serve in the ward committees; politicisation of ward committees; the limited size of the committees, the limitation of ward committee powers; a lack of skills by ward committee members; insufficient administrative resources; limited access to information, and a lack of influence in municipal decision-making. This chapter makes use of relevant sources of existing research on ward committees in South Africa, with specific emphasis on Masters academic theses produced between 2013 and 2018. Content analysis is used to analyse this research. The chapter concludes that the role of ward committees needs to be enhanced through, amongst others, measures to improve channels of communication, depoliticisation of the appointment of ward committee members, increasing administrative resources to support the committees, and capacity building of the committees by municipal councils.

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Key words

Municipalities, participation, South Africa, ward committees.

6.1 Introduction

Modern democratic governance systems promote the concept of local government as a means of facilitating development at municipal level. Local government is acknowledged as the sphere of government 'closest to the people' who should be governed. National and provincial governments are seen as remote and unlikely to be effectively responsive, especially with regard to basic service delivery and local economic development (Masiko-Kambala, 2012). As a result, in countries such as South Africa, an array of legislative and policy provisions have been put in place with the aim of establishing institutions which promote citizen input to the decisions that local governments make. Citizen-focused governance is known as participatory governance (Le Roux, 2015, p.88).

Since 1994, the South African Government has committed itself to participatory governance. As a result, pieces of legislation promulgated in the democratic era, focus on encouraging participatory governance, including the Constitution of the Republic of South Africa, 1996 (South Africa, 1996); the White Paper on Local Government, 1988; the Local Government: Municipal Structures Act, 117 of 1998 (South Africa, 1998); the Local Government: Municipal Systems Act, 32 of 2000 (South Africa, 2000); and the Local Government: Municipal Finance Management Act, 56 of 2003 (South Africa, 2003). In theory, participatory governance is characterised by high levels of public participation in the political processes of local governments through a wide range of institutional channels (Le Roux, 2015, p.89). Ward committees are one such mechanism introduced to enhance citizen participation in decision-making processes of local councils (Le Roux, 2015, p.89).

The establishment of ward committees is anchored in the Constitution of the Republic of South Africa (1996), Section 152 (1) (e). Through this section, the Constitution compels local government to involve local communities in local governance by stating that the role of local government is "to encourage the involvement of communities and community organisations in the matters of local government". Further to the Constitution, the Local Government: Municipal Structures Act, 117 of 1998, and in particular Chapter 4 of the Act, is entirely devoted to community participation and provides for the *modus operandi* for the creation of ward committees. Ward committees are a platform of participation by local citizens in the affairs of their council areas (Smith and de Visser, 2009, p. 1). They facilitate communication and participatory decision-making processes between municipalities and local citizens. Furthermore, ward committees are seen as a mechanism for supplementing the role of elected councillors by creating a

bridge between communities and the political and administrative structures of municipalities (Smith and de Visser, 2009, p. 1).

Despite being a subject of considerable focus and attention by government and civil society for nearly two decades, with substantial investments made to ensure that wards have the necessary capacity and resources required for them to fulfil their envisaged roles, research points to significant challenges that ward committees face in South Africa, especially with regard to influencing the decision-making processes (Barichievy et al, 2005, p. 380). The major questions of this chapter are: What are the challenges which hamper the use of ward committees to facilitate participatory governance? How can the challenges be resolved or mitigated?

This chapter sets out to offer a deeper and more nuanced understanding of the factors affecting the effectiveness of ward committees in South Africa, based on research findings of the last five years (2013–2018). The research findings have been narrowed to Masters' degree theses focusing on ward committees during this period. They provide insights into how ward committees are functioning and the key reasons behind the challenges which appear to plague the majority of ward committees.

A qualitative content analysis approach is used to analyse the research. Content analysis as a research method is used to derive categories or themes from data during data analysis, and enables the researcher to gain a richer understanding of a given phenomenon (Hsiu-Fung and Shannon, 2005).

This chapter is structured as follows: after this introduction, the chapter discusses the research methodology. The third section focuses on the theoretical understanding of the ward system and ward committees. This provides a basis for the next section which describes South Africa's ward system. The subsequent section discusses in detail the findings of researchers in the last five years, with specific emphasis on the commonly recurring identified challenges. The last section is the conclusion.

6.2 The ward system

The adoption of the ward system is premised on the concept of public participation which posits that individuals need to be given the opportunity to influence municipal decisions (South African Local Government Association, 2013, p. 8). It is an aspect of the democratic decision-making process which contends that the citizens determine where the municipality needs to go, and the role of their representatives and administrative officials to get them there. Public participation is seen as an open and accountable two-way communication and collaborative activity through which citizen concerns, needs and values are acknowledged and integrated into municipal decision-making (Creighton, 2005, p. 14).

Murombo (2008, p. 4) points out that international experience shows that citizens' voices and participation are at the centre of democratic government and are essential in ensuring effective and accountable governance at the local sphere. One way of achieving this is through establishing structured and institutionalised frameworks for public participation, such as through ward committees (Le Roux, 2015, p. 89).

The term 'ward' is used to refer to an administrative division or unit of a local government area that typically elects and is represented by a councillor or councillors. A ward councillor is assisted by a ward committee, which serves as a two-way communication channel between local governments and local citizens on matters relating to governance and delivery of basic services (Putu, 2006, p. 1). Through ward committees, local citizens and civil society groups can raise concerns and needs, and also assist in specific local government functions (Smith and de Visser, 2009, p. 10).

Therefore, in any local government jurisdiction, it is important to establish ward committees, because their objective is to enhance citizen participation and democracy in local government. According to the South African Local Government Association (2016, p. 14), ward committees "are organs of community involvement whose strategic thrust is mainly to foster a culture of a people-centred and people-driven local government system to ensure efficiency and effectiveness for socio-economic planning and service provision".

Olum (2014, p. 26) observes that citizen involvement in governance through such participatory forums as ward committees improves the representation of citizens, including the poor and marginalised, in decision-making processes. This increases the effectiveness of public policy, as it provides a mechanism for feedback to policy makers and allows citizens to shape policies according to their needs.

Ward committees are also understood to play a role in promoting accountability of elected representatives and local officials by providing a space for citizens to critically evaluate their performance, thereby contributing towards improving democratic legitimacy and developing an engaged citizenry (Chottray and Stoker, 2009, p. 160). Such a forum also extends the role of citizens beyond that of voting to include a more direct deliberative involvement in pressing policy issues (Fischer, 2010, p. 1).

It is therefore evident that in theory, ward committees are important local government mechanisms through which citizen participation in decision-making is made possible. Local government enforces local, provincial and national government policies within local jurisdictions, in order to ensure effective, participatory and accountable service delivery (Department of Provincial and Local Government, 2007, p. 5).

6.3 Ward committees in South Africa

On its website, the South African Local Government Association notes that “local government is the key site of delivery and development and is central to the entire transformative project of the new South Africa”. This is because as a sphere, local government has a close proximity to citizens and engages directly with communities, promotes democracy and tends to their needs. The White Paper on Local Government (1998, p. 8) instructs local government to be developmental in the provision of service delivery by being a government “which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way”. It is on this principle that governance is expected to be founded, with the consent of the people. It needs to be representative: where cooperation occurs internally and externally, in order to establish the will of the people. Debate needs to take place between citizens and government to warrant consensus and compromise. Policy needs to follow procedure and not be decided based on personal preference of leaders, but as the expression of the will of citizens (Pakulski and Körösenyi, 2012, p. 5).

In order to promote a citizen-focused local government service delivery, the South African Government embarked on an extensive reform process after 1994, institutionalising public participation at the local government sphere. The institutionalisation process included the promulgation of legislation which provided for, amongst other institutions, the creation of ward committees. Principally, such legislation includes the Constitution of the Republic of South Africa, 1996 (the Constitution); the Local Government: Municipal Structures Act, 117 of 1998 (Structures Act); the Local Government: Municipal Systems Act, 32 of 2000 (Systems Act); the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA) and the White Paper on Local Government (1988).

In terms of Sections 151(1) (e) and 151 (2) of the Constitution, local government must involve local communities in local governance matters (South Africa, 1996). The Structures Act specifically deals with ward committees. Part 4 of Chapter 4 of the Act outlines the composition of ward committees, how they are elected, the framework for the powers and functions of ward committees, the term of office of ward committee members, as well as procedures for dealing with vacancies that may arise and the dissolution of ward committees (South Africa, 1998). In terms of the Structures Act Section 73 (2), a ward committee is made up of the councillor representing that ward in the council, who must also be the chairperson of the committee, and not more than 10 other persons (South Africa, 1998).

Although both the Systems Act and the MFMA do not mention ward committees explicitly, they do promote public participation. The two Acts compel local governments to develop a culture of governance that complements formal repre-

sentative government, with a system of participatory governance through a number of processes related to how policy decisions are made and how resources are used and reported on. Ward committees were introduced in 1999 to allow public participation and engagement in running local affairs. The ward committee system was meant to give local citizens a platform to inform the local government about the needs of the people, and the government to conduct needs assessments, before taking decisions about what the people need.

Chapter 4 of the Systems Act implies that ward committees must be one of the structures through which participation at the local sphere ought to take place (Section 17[1]), thus giving meaning to the notion of “the people shall govern”. In this context, the Act points out that local government must put in place processes and procedures which facilitate participation by local citizens in local governance and enable access to local decision-making processes by the public. Furthermore, of importance in this Act is the fact that it calls for local governments to take cognisance of the participatory needs of people who cannot read or write, people with disabilities, women and other disadvantaged groups (South Africa, 2000).

However, despite this emphasis on the importance of ward committees in promoting public participation in local governance, the Structures Act limits the statutory powers and functions of ward committees to those of advisory bodies, where they assist the ward councillor in carrying out her/his mandate in particular, with respect to community engagement and consultation. Section 74 explicitly provides for this advisory role by pointing out that a ward committee may make recommendations on any matter affecting its ward to the ward councillor, or through the councillor, to the council, executive committee, mayor or sub-council. Conversely, a ward committee can also have any duties and powers delegated to it by the municipal council (South Africa, 1998).

Ward committees consist of no more than ten individuals plus the ward councillor who, according to the Act, must be the chairperson of the committee. Municipalities are required to make rules regulating the procedure to elect members onto the ward committee. Women should be equitably represented, and a diversity of interests needs to be included amongst ward committee members (such as youth, religious groups, sports and culture, health and welfare, business, environment, education and older persons). Local governments should also be conscious of geographic representation, whereupon they are expected to identify the different geographical areas which represent an equitable geographic spread of the residents of the ward, and then call for nominations from each area (South Africa, 1998, Section 73 [1-4]).

The fact that ward committees are an advisory body is also contained in the former Department of Provincial and Local Government (now Department of Co-operative Governance and Traditional Affairs) (Notice 965 of 2005) Guidelines for the Establishment and Operation of Ward Committees gazetted in 2005. The guidelines are clear that no executive powers should be delegated to ward committee

members. The guidelines were set to ensure the uniformity of procedures to be followed by ward committee members, councillors and officials in establishing ward committees, how they are intended to operate, as well as the conduct of their members. In addition, Section 4(2) of these guidelines also emphasises that ward committees are advisory bodies, advising and making recommendations to the ward councillor with respect to issues and policy which affect the ward. The committee serves as an official specialised participatory structure in local government which assists the ward councillor in identifying the challenges and needs of local citizens, as well as communicating these between council and citizens. Ward committees are also seen as critical information dissemination and mobilising agents, to ensure active public participation (Van der Walddt, 2007, p. 88).

In this regard, the former Department of Provincial and Local Government Handbook for Ward Committees (2005) states that ward committees increase the participation of citizens in local government decision-making. Ward committees provide a direct link with the council and as such should be involved in matters such as the Integrated Development Programme (IDP) process, municipal performance management, the annual budget, council projects, community awareness campaigns (e.g. waste, water and sewage, payment of fees and charges), monitoring of the performance of municipalities and other similar programmes (Department of Provincial and Local Government, 2005, p. 6).

In this vein, the guidelines require local governments to provide administrative arrangements which support the work of ward committees. Such arrangements include assisting community members to identify ward committee members, making administrative officials available to assist the committee with clerical functions, arranging meeting venues, providing logistical resources such as office equipment and stationery, advertising community meetings, providing transport and developing and implementing capacity-building and training programmes for ward committee members. This is done in order to ensure that the ward committee is a statutory structure recognised by the council as its consultative body and communication channel on matters affecting the ward (Makana Municipality, 2013, p. 12).

Thus, local government in South Africa has increasingly evolved over the last two decades, with the state creating invited spaces of participation at local level. The major intention of the invited spaces has been to promote meaningful public participation at municipal level. The question is whether what was expected in theory materialises in the practice of South Africa.

Emerging research in the last five years, as exemplified by a number of Masters theses identified in this research, shows that a number of challenges exist that militate against the deepening of public participation at municipal level. More still needs to be done to further strengthen public participation. The following section elaborates on the sources used in this chapter and the subsequent section identifies

some of the challenges and proposed measures which can be pursued to foster public participation as revealed in those sources.

6.4 Research methodology

This chapter is based on Masters theses which were submitted between 2013 and 2018, focusing on ward committees in South African municipalities. The theses were retrieved from Sabinet references, the UCTD database and the national ETD portal, and are all available on the internet. Lesk (1997, p. 1) observes that the arrival of internet technology has had a huge impact on academic research and is an important destination for researchers. He argues that soon “we will have the equivalent of a major research library on each desk”.

Thus, the chapter used the internet to search for relevant Masters theses as sources of past research on ward committees in South Africa, by carefully selecting key research terms which focus on the subject of the research. In this case, the key terms used for the search were “ward committees AND South Africa”. The narrowing of the research terms not only provided relevant, but also quick, immediate and worldwide access to information on the subject. In this regard fifteen web pages of sources appeared and the most relevant of these theses falling within the selected period were identified and analysed.

Content analysis was used to evaluate the research documents. Content analysis is a qualitative research mechanism useful for effectively determining the presence and meaning of concepts, terms, or words, in one or more pieces of recorded documents (Stan, 2009, p. 225). According to Hsieh and Shannon (2005, p. 278) qualitative content analysis is “a research method for the subjective interpretation of the content of text data through the systematic classification process of coding and identifying themes or patterns”. It enables the researcher to compress many words of text into fewer content categories, in order to make inferences about a given phenomenon. Content analysis is possible whenever there is a physical record of communication. Content analysis enables examination of patterns in communication focusing on documents and communication artefacts in a replicable and systematic manner, without having to be invasive.

6.5 The ward system in practice: review of previous studies

South African ward committees are established to enhance the voice of the people, for the expression of the needs of local citizens and to act as a watchdog and ensure that local governments implement policies geared towards addressing the needs of citizens. In theory, they are a key access point for engagement at the local sphere and are generally the most accessible for citizens.

Nonetheless, although ward committees are integral to the local government participatory democracy, research in the last five years has revealed glaring weaknesses. The most significant weaknesses of ward committees have been identified as including the way people are nominated or elected to serve in the ward committees; the politicisation of ward committees; the limited size of the committees; the limitation of powers of ward committees; the lack of skills of ward committee members; insufficient administrative resources; the limited access to information and the lack of influence on decision-making, as described below.

6.5.1 Representation and politicisation

Researchers, such as Kabane (2014) and Mtshali (2016), have repeatedly pointed out that the way in which ward committees are constituted poses a major challenge, in that ward councillors seem to direct the selection of ward committee members in line with their political affiliations, thereby making them pseudo-structures of their political parties. Subsequently, in many instances, ward committee members seem to operate as an extension of party structures, thereby failing to incorporate the full range of interests in communities. The councillor who is the chairperson of the ward committee manipulates deliberations and decisions to reflect the mandate of the political party he/she represents, rather than the real needs and aspirations of the citizens. This problem was identified in 2008 by Piper and Deacon (2009), who in their study of the Umsunduzi Municipality noted that in certain instances there was even a close relationship between ward committees and branches of political parties. Both structures were the same, and at times meetings of ward committees were combined with ANC branch meetings, ostensibly to avoid a state of animosity between the two groups, which in any case consisted essentially of the same persons.

The Constitution, the Structures Act and the Guidelines on the Establishment of Ward Committees emphasise that the ward committees are supposed to be impartial and not extensions of political parties. Politicisation of ward committees undermines their purported independent role and also directly weakens civil society's ability to engage municipal councils and the much required impartial representation of the communities (Mbhele, 2017, p. 75).

Ward committees should also include citizens who either do not vote or do not all vote for the same party. When the ward committee is seen to be controlled by a single party, potentially important interest groups and individuals aligned to other parties inevitably become alienated from the ward committee and feel that there is little or no point in participating, as their opinions, ideas and suggestions will not be taken into account. This affects the principle of equity and inclusiveness, which seeks to ensure that all members of society, including the vulnerable, women and the poor have a say in the running of their localities (Mbhele, 2017, p. 76).

In order to improve the operational effectiveness of ward committees, they must be independent from party political control. In the context of growing political party

diversity in local government, ward committees should hold multi-party caucuses to obtain inter-party consensus on the nomination process of ward committee members (Oldfield, 2008, p. 494). According to Le Roux (2015, p. 97), politicisation of ward committees can also be reduced by allowing the election of ward committee members rather than nominations through the ward councillor. This practice is clearly better than having the nomination process decided by a single party and is likely to enhance the impartiality of the committees which can help them to perform their functions without fear, favour or prejudice (Sekgala, 2016, p. 7).

Both the holding of party caucuses and elections to compose ward committees can ensure that they are fully embedded within the multiple interest groups and sectors in their communities, and can be used to reduce competition, which is often experienced at the local sphere where political parties vie for control of the committees and where the composition of committees is skewed towards supporters of one or other party (Afesis-corplan, 2017, p. 26). To a certain extent, this may also deal with the problem of party factionalism, where one or other faction within the party may want to use ward committees to secure greater political power (Smith and de Visser, 2009, p. 16). In addition, this will deal with the problem of 'policy competition' where the role of ward committees is defined by the political party (Piper and Deacon, 2009, p. 423). At all costs, it is important to ensure that representation on ward committees is derived from a democratic and inclusive nomination and election process.

6.5.2 Size of ward committees

In rural areas, wards are sometimes geographically too large to be effectively represented by a committee of ten community members plus the chairperson who is the ward councillor (Modise, 2017, p. 3). It is unlikely that full representation of all interests will be present, given the geographical size of the wards (Cooperative Governance and Traditional Affairs, 2011, p. 9). However, any efforts to expand the ward committee sizes will require an amendment to Section 73(2) b of the Structures Act, which explicitly states that ward committees should consist of not more than 10 persons. However, a solution can also be drawn from cities such as Cape Town, which have found a way of promoting more representations by establishing ward forums that allow them to have up to 20 representatives of various sectors within the wards. These forums regularly consult and obtain a mandate from their constituencies (City of Cape Town, 2017, p. 206). Drawing from the example of the City of Cape Town, it is also possible to establish sub-committees as a means of achieving broader representation.

6.5.3 Power

In terms of the Structures Act, the powers of ward committees are limited to providing advice to ward councillors and receiving inputs from communities (Silima, 2013, p. 13). Mtshali (2016, p. 54) argues that most municipalities do not delegate

any powers and duties to ward committees in any meaningful way, despite these being provided for in the Structures Act. This means that in such instances, ward committees are excluded from the decision-making processes about the needs and priorities of their communities. Jakatyana (2010, p. 117) suggests that municipalities should explore the possibility of delegating more powers to influence the policy and decision-making processes in matters pertaining to service delivery.

6.5.4 Limitations in members' levels of education, skills and expertise

Another major challenge that has been identified with respect to ward committees is that members tend to lack skills (report writing, minute taking, reading and writing), education (matric) and expertise (accounting, law etc.) (Khawula, 2016, p. 69). This affects the quality of engagement between the councillors, ward committees and the public. As such, ward committees find it hard to comprehend their roles or to carry out their functions. Menzelwa (2018, p. 1) states that the majority of ward committee members often do not have matric and that sometimes even ward councillors, who are chairpersons in the ward committees and representatives of the ward in municipal councils, lack the critical skills to comprehend policy documents and financial issues. Lack of education, skills and expertise should be addressed through capacity building of ward committee members by local governments, in line with the provisions of the Guidelines for the Establishment and Operation of Municipal Ward Committees, the Structures Act and the Systems Act (Mhlari, 2014, p. 53).

6.5.5 Lack of funding at local government level

The majority of local governments allocate limited funds to the work of ward committees (Mbhele, 2017). This affects the potential to provide capacity building support to ward committees. In fact, Sekgala (2016, p. 5) points out that many municipalities have not been budgeting for the capacity building and training of ward committees at all, and suggests that municipalities should budget for the training of ward committee members in order to promote their performance as a means of strengthening public participation through ward committees.

Further to this, ward committees lack access to basic administrative resources such as office space, computers, printers and photocopiers, as municipalities seem unable to budget adequately for such resources (Mtshweni, 2009, p. 97; Rabothata, 2014, p. 83). This contributes to the weakness of ward committees and affects ward committee members' participation, not only as individuals, but also to the extent that in certain instances meetings are not held, are held infrequently or there are insufficient members to constitute a quorum (Masango, Mfene and Henna 2013, p. 101; Mkwanaazi, 2013, p. 4). As a solution to this problem, Sekgala (2016, p. 9) contends that as provided for in Section 52 of the Constitution, municipalities must ensure that ward committees function effectively by allocating adequate financial

and material resources as part of their duty (municipalities) to promote public participation in local government.

6.5.6 Access to information

Ward committees are communication channels between councils and communities (Mkwanazi, 2013, p. 3). Municipalities are mandated by the Constitution (Section 152 [1] [e]) to encourage involvement of communities and community organisations in local governance. However, Sekgala (2016) argues that this role is being limited by lack of accessible information at ward level. Lack of information about the functioning of local government limits local public participation (Molaba, 2016, p.73). For example, councils have been found not to effectively disseminate their development plans to ward committees and these committees tend to lack the knowledge and understanding of critical planning processes, as well as targets and indicators for development (Khuzwayo, 2009, p.59). Even when included in the IDP process, ward committees may lack information to the extent that they are not able to disaggregate these to their own ward areas. As a result, ward committees fail to provide any empirical or qualitative feedback on municipal delivery strategies and performance (Afesis-corplan 2017, p.24). Sometimes, where available, such information is in highly technical and inaccessible formats. For example, the budget is rarely packaged in such a way as to provide understandable and useful information on budget allocations at ward level (Thabanchu, 2011, p41).

If properly utilised, ward committees can be very useful for assessing the needs of the community, spreading information, building partnerships, consulting the community and picking up local problems with services (Letawana, 2017, p.23). Therefore local governments should provide adequate and streamlined information to ward committees, in order to promote participation. A major principle of good governance is the requirement that information be made freely available and be directly accessible to communities that may be affected by any decisions and their enforcement (United Nations Economic and Social Commission for Asia and the Pacific, 2014, p. 3).

6.5.7 Lack of impact on the decisions of councils

In terms of the Structures Act, the Systems Act and the Municipal Finance Management Act, ward committees are supposed to be platforms where citizens of given localities may influence council decisions. As such, in terms of the legislation, ward committees are integral to the development of budgets, integrated development plans, monitoring and reviewing of the performance of municipalities. They act as channels of communication between municipalities and the communities, thus ensuring the communication of the needs, aspirations, potential and problems of the communities.

However, Kabane (2012, p. 12) and Mhlari (2014, p. 47) note that municipalities are not responsive to issues that ward committees bring to the attention of the council. In other words, despite the Structures Act providing for municipalities to delegate certain powers and duties to ward committees, it would appear that few municipalities have done this in any meaningful way (Afesis-corplan, 2017, p. 26). Further to this, Mbelengwa (2016, p. 16) argues that ward committees often serve the interests of the councillor and the majority party, at the expense of community inputs. The author concludes that there is poor consultation between ward committees and the communities which they are supposed to serve. This suggests that ward committees are, in general, not having a significant influence on the decisions made by council and how resources are allocated at ward level.

Ward committees represent communities and should regularly consult and obtain a mandate from them. Mtshweni (2009, p. 101) notes that in order for ward committees to exert influence on councils, they should ensure consistent feedback; report to local communities; adhere to their code of conduct; have access to information pertaining to service provision in the ward and should maintain a consistent interaction with sectoral groups by convening sub-committee information session meetings.

Sekgala (2016, p. 6) suggests that there is a need to tighten the requirements including time limits for councils to give feedback to ward committees, so that they inform their communities and that the mayor should be held accountable for council's inaction. This can be done by giving ward committees powers to summon the office bearer to appear before a ward committee to answer questions as a way of enhancing accountability

6.5.8 Visibility of councillors

Councillors are supposed to serve as a communication link between council and the community. They should bring people's needs and problems to the municipality and consult and inform the community around municipal services and programmes (Molaba, 2016, p. 92). Given this context, councillors cannot act as individuals and do as they wish. Their actions must be visible to the public so that the public is able to object when they feel their interests are not being adequately represented. However Silima (2013, p. 62), as well as Nqwabe and Mdaka (2011, p. 68), conclude that councillors are often not visible to communities and do not maintain the required contact and communication, except around elections. Lack of visibility and frequent meetings tend to weaken the functioning of the ward committees, thereby affecting public participation in local development, which is the ultimate objective of the ward committee structure (Mbhele, 2017, p. 53).

Silima (2013, p. 62) suggests that ward councillors should be visible even outside election periods and should be subject to evaluation by ward committees. Ramphela (2015) also contends that councillors who lack commitment and visibility can

be reported to the Offices of the Speaker, the Chief Whip, the Ombudsman or the political party to which the councillor belongs.

6.6 Conclusion

South Africa has put in place various legislative and policy provisions with the aim of establishing institutions which promote citizen input to the decisions that local governments make. Attendant legislation used to institutionalise such provisions includes the Constitution, the Structures Act, the Systems Act and the MFMA, as well as the institutionalisation of ward committees. “Ward” is used to refer to an administrative division or unit of a local government area which typically elects and is represented by a councillor, assisted by a ward committee. Despite being a subject of considerable focus and attention by government and civil society for nearly two decades, with substantial investment made to ensure that wards have the necessary capacity and resources required for them to fulfil their envisaged roles, existing research points to numerous challenges that the ward committees in South Africa face, especially with regard to influencing the decision-making processes.

This chapter asked what the challenges are which hamper the use of ward committees to facilitate participatory governance and how these challenges can be resolved or mitigated. These challenges include a lack of channels of communication, politicisation of appointment of ward committee members, lack of financial and administrative resources to support the committees, and lack of skills, education and expertise among ward committee members. These challenges need to be addressed if ward committees are to be effective citizen-centred development institutions at the local sphere. Some of the measures which can be taken include party caucuses and elections to promote diverse inclusion of representative groups in ward committees, as well as establishing ward forums and sub-committees in order to broaden representation of ward interests.

Municipalities should consider delegating more powers to ward committees for them to influence the policy and decision-making processes in matters pertaining to service delivery; capacity building of ward committee members; allocating adequate financial and material resources as part of their duty (municipalities) to promote public participation in local government; providing adequate and streamlined information to ward committees and providing access to information pertaining to service provision in the ward. In order to promote councillor visibility, non-performing councillors should be subjected to evaluation by ward committees or be reported to the Offices of the Speaker, the Chief Whip, the Ombudsman or the political party to which the councillor belongs.

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Chapter 7

An Analysis of the Impact of Infrastructure Investment on the City of Johannesburg, South Africa

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Abstract

The City of Johannesburg is faced, on the one hand, with challenges of aged infrastructure in need of replacement and infrastructure backlogs and, on the other, with high levels of unemployment, inequality and poverty as with the rest of South Africa. Public infrastructure investment might be one of the solutions to reducing unemployment, and to better service delivery. Both have been shown in the literature to reduce poverty and possibly inequality.

While substantial studies have been carried out on the economic impacts of public infrastructure investment at the national and provincial spheres, no attention has been paid to the economy-wide impacts of an increase in public infrastructure investment for the City of Johannesburg or any other city/municipality in South Africa. Yet, such an impact evaluation should be a major part of the public policy making cycle. The chapter thus uses a city computable general equilibrium (CGE) model to assess the impacts of increasing public infrastructure investment for the City of Johannesburg's regional economy. The main results from our analysis include an increase in GDP for the City's economy, an increase in household income and an overall decline in unemployment. This suggests an overall positive impact on the economy of the City of Johannesburg. These results can inform public administrators and policy makers at the local sphere about the importance of investing in infrastructure.

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Key words

City of Johannesburg, city CGE modelling, city infrastructure investment, regional CGE analysis

7.1 Introduction

City-wide physical infrastructure such as rail and road networks, energy, water and communication provides reliable and efficient transport services, adequate power and water supply and communication facilities. This attracts investment, increases the productivity of labour, improves urban mobility, enhances performance of firms and thus contributes positively to cities' and countries' development (Swilling, 2006; Chenal, 2016; Arimah, 2017). Infrastructure development is widely believed to be critical for economic growth and development (Aschauer, 1989; Holtz-Eakin and Schwartz, 1994). According to the City of Edmonton (2013, p. 22) and Arimah (2017, p. 246), provision of sufficient infrastructure is the underlying basis, crucial for cities to function, develop, thrive and prosper. Infrastructure significantly contributes to the quality of a place to attract both business and new residents (City of Edmonton, 2013; Hannan and Sutherland, 2015). The extent of adequate infrastructure provision, maintenance and upgrading contributes to the development and prosperity of African cities because poor infrastructure impedes growth, weakens the fight against poverty and slows progress towards improvement in living standards (Arimah, 2017).

In this chapter, particular focus is placed on the sectoral impacts, impact on unemployment and impact on households. This modelling allows for taking account of the spillover effects of infrastructure investment. The question is asked: What are the economy-wide impacts of increasing public infrastructure investment by the City of Johannesburg? The rest of the chapter is structured as follows: Section 7.2 provides a background to the study, Section 7.3 covers methodology, Section 7.4 discusses simulations and results, while Section 7.5 concludes.

7.2 Background

Johannesburg is the biggest city in South Africa in terms of the size of both its economy and its population. The population of Johannesburg increased from 4 434 827 in 2011 (Robertson and Szabo, 2017) to 4 949 347 in 2016 (Youth Explorer, n.d.); growing by 11.6% over the 5-year period. The increase in the City's population is partly attributed to migration. The City of Johannesburg is not entirely unique from other African cities when it comes to infrastructure challenges. The City is faced with challenges of massive infrastructure backlogs and aged infrastructure, which needs replacement (Viana, 2009; Fourie, 2017). For the City of Johannesburg, such infrastructure includes water, sanitation, waste, transport, energy, electricity and

social infrastructure (City of Johannesburg, 2013). In its 2017/18 Integrated Development Plan (IDP) Review, the City indicates that it will support the creation of employment through public infrastructure investment to ensure a reduction in unemployment to less than 20% by 2021 (City of Johannesburg, 2018, p. 35). This idea is consistent with the South Africa National Development Plan (NDP) which emphasises that in order to fulfil its developmental role the capability of local government needs to be strengthened by addressing critical priorities within the mandate of local government such as infrastructure and basic services (City of Johannesburg, 2017a).

The Local Government: Municipal Systems Act, 32 of 2000, Section 26(e) compels all municipalities to develop a spatial development framework (SDF) as a fundamental component of the IDP (Department of Rural Development and Land Reform, 2011). Municipal implementation of the SDF is dependent on capital investment in infrastructure (City of Johannesburg, 2017a). The City of Johannesburg has a well-established system which integrates spatial plans and development strategies with strategic capital investment programmes. According to the City of Johannesburg (2017a), the strategic capital investment focus of the City encompasses three broad categories of investment, namely: management of existing assets, addressing infrastructure backlogs and increasing capacity to steer growth in strategic areas.

Similar to the rest of South Africa, the City of Johannesburg is characterised by high levels of poverty and inequality, which have been rising steadily, coupled with high unemployment, which is said to be a key contributing factor to high levels of inequality (City of Johannesburg, 2013). Nel and Rogerson (2005) believe that provision of services and infrastructure by South African local government would help to achieve growth and to address poverty.

The City of Johannesburg (2013) points out that in South Africa, urban population growth is surpassing growth in national population, and, as a result, this entails a growing urgency for infrastructure development in the country's cities and towns to support this rise in population. Investment in infrastructure development is said to be the foundation of economic growth and development, thus local government in South Africa is mandated to build and maintain an assortment of infrastructure, which provides an environment that facilitates economic growth and supports local economic activity (City of Johannesburg, 2013). The Johannesburg Development Agency (2014) states that the City of Johannesburg planned to invest in excess of R110 million only for upgrading the city's infrastructure over a period of 10 years. In fact, the City planned to spend up to R13.5 billion in 2014/15 and R7.3 billion in 2013/14, almost double of the R4.6 billion spent in 2012/13. Swilling (2006, p. 23), supported by Schäffler and Swilling (2013, p. 248), mention that investment in urban infrastructure, as a key strategic socio-economic development policy, has been

one of the main priorities in democratic South Africa. It is important to understand the general economy-wide impacts of such investments in infrastructure.

The City is considered to be South Africa's economic hub, thus it is usually chosen as the first destination by job seekers from both within and outside the country (City of Johannesburg, 2013; Khatleli, 2017). According to Quantec (2017), the economy of the City of Johannesburg is comparatively larger than the economies of the country's other seven metropolitan municipalities. From 2010 Johannesburg's output has continually been more than 30 % higher than the second largest economy, the City of Cape Town (Quantec, 2017).

The City of Johannesburg is not only South Africa's economic hub, but also the country's freight and logistics hub, with sound and advanced air, road and rail transport networks (City of Johannesburg, 2015a). It boasts rail and road networks connecting it to all major cities and ports across the continent, and it is very close to Africa's biggest and busiest airport and freight and logistics hub, OR Tambo International Airport, linking the City to the world at large (City of Johannesburg, 2009). As pointed out by the City of Johannesburg (2015a), the City continues to attract businesses, investors and people seeking employment due to the perceived opportunities offered by its comparatively strong economy, whose growth has continued to be more rapid than that of the remainder of the country.

However, despite all these positive attributes, the City of Johannesburg is not without challenges. Whilst the City remains South Africa's and the African continent's economic powerhouse, it is faced with a myriad of challenges associated with rapid inward migration of job seekers and others in search of a better life, coupled with slower economic growth like the rest of the country. In addition, the City's distance from seaports and regional markets in the Southern Africa region requires adequate infrastructure to ensure efficient transport and logistics networks (City of Johannesburg, 2015a). Moreover, the City is faced with challenges of aging infrastructure and social and economic infrastructure backlogs. A combination of slow economic growth and an increasing population can contribute to an increase in unemployment, poverty and inequality. In addition, increased population and the resultant sprawling low-density suburban areas and fast growing informal settlements need new infrastructure services. This demands adequate ongoing investment in both new infrastructure and maintenance of existing infrastructure (City of Johannesburg 2015a). Indeed, the City of Johannesburg (2013) mentions that the Medium-Term Budget of 2013/14 marked a shift from consumption to investment in the City's approach to budgeting, with huge infrastructure investments scheduled over the years ahead.

These challenges create increased social and political pressures which can preclude a conducive environment that provides employment opportunities and efficient and effective service delivery. Tackling such challenges is made difficult in a situation of reduced financial means (City of Johannesburg, 2015b). Despite private

sector involvement in infrastructure investment, in finance particularly, through public private partnerships (PPPs), the public sector has generally provided infrastructure (Winston, 2014) largely allocated through the budget in the case of cities (Gwilliam, 2002). Thus, due to the scarcity of resources, it is vital to assess whether or not any resources used in addressing the challenges faced by the City impact positively on the city's economy.

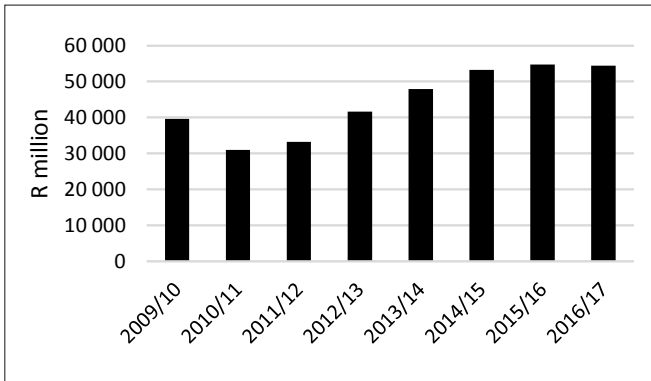
While there is a significant amount of literature on the contribution of various types of infrastructure to the development of cities, it is important to emphasise that such impacts are not uniform. As pointed out by Arimah (2017), the impact of infrastructure investment on the development and prosperity of different cities may vary across the cities as it is influenced by the local context. Thus, the impacts will be different from city to city, depending on each city's capacity to assimilate the infrastructure investment as well as how infrastructure interacts with productive activities of the City's economy through forward and backward linkages (Arimah, 2017, p.257). Various studies on the economy-wide impacts of policy initiatives have been carried out in South Africa at both provincial and national spheres. However, there seems to be no literature on the economy-wide impacts of policy initiatives on any town or city in South Africa. This study bridges this gap by using Computable General Equilibrium (CGE) modelling adapted from the Partnership for Economic Policy (PEP) standard model by Decaluwé et al. (2009) to assess the economy-wide impacts of an increase in public infrastructure investment for the City of Johannesburg. Such analysis ought to be routine for public sector policy practitioners, in order to make evidence-based policy decisions.

The chapter will be informed by the growing literature on regional economy-wide policy impact analysis. For instance, Robson and Dixit (2015) present regional CGE models as an analytical tool to address research questions relating to transportation, while in Lechner (2011) regional CGE models are introduced as tools for evaluating urban research questions. Related to Robson and Dixit (2015), Horridge and Wittwer (2008) mention that a region-specific CGE model can be used to study the regional impacts of region-specific shocks such as investments in construction projects. A good example is Kim and Ju (2003), who used a CGE model of Seoul's economy to assess the economic impacts of housing development on the growth and income distribution of Seoul.

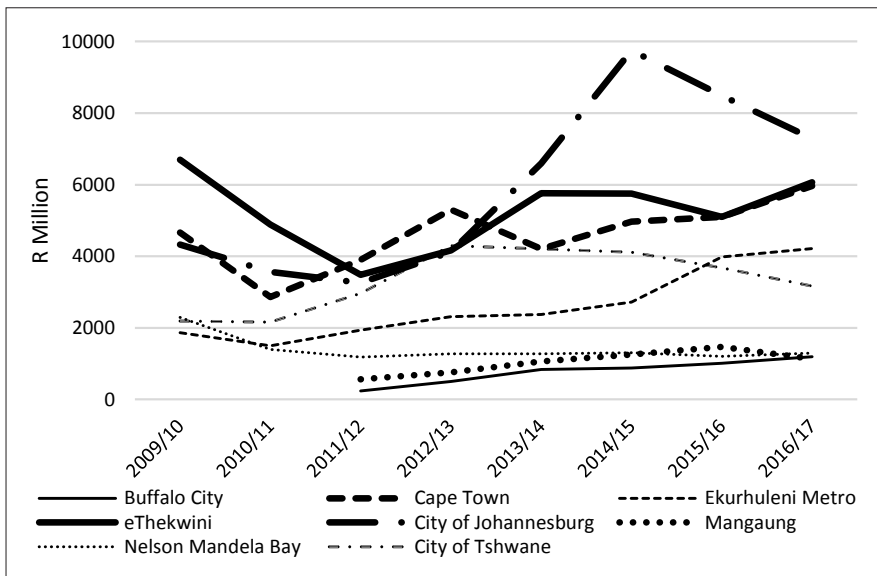
7.2.1 Capital expenditure

Municipal capital expenditure, which constitutes investments of a municipality in both economic and social infrastructure projects, plays a vital role in the economic growth of the respective municipality in particular and the country at large, as well as in social development (Financial and Fiscal Commission, 2011).

Figure 7.1
Municipal Capital Expenditure
(a) Total for all Municipalities



(b) Metros



Source: National Treasury (various years)

Municipalities' total capital expenditure has been increasing over the years as they continue to invest heavily in service delivery-related infrastructure (Statistics South Africa, 2016). Figure 7.1 Panel (a) shows the trend of total municipal expenditure for fiscal years 2009/10 to 2016/17. The amount was high in 2009/10 due to the preparations for the 2010 FIFA Soccer World Cup provisions. The City of

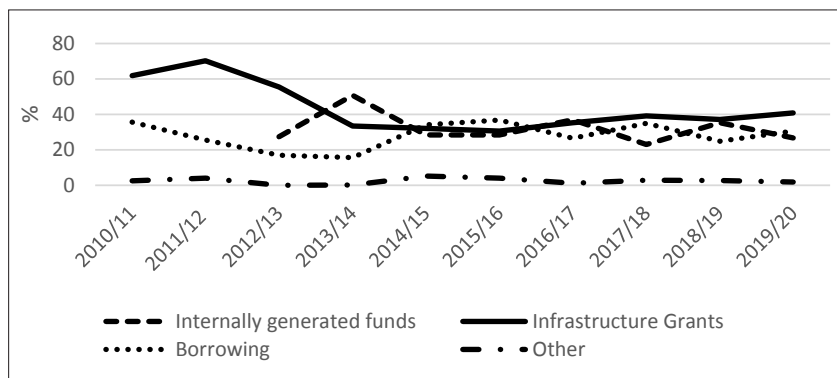
Johannesburg overtook Cape Town and eThekweni in 2013/14 as the metropolitan municipality with the highest capital expenditure as shown in Figure 7.1 Panel (b)

However, except in the 2014/15 financial year, the City's capital expenditure as a percentage of total expenditure lags behind that of other metropolitan municipalities, as well as that of the national average. Thus, the City of Johannesburg has room to increase its capital expenditure as a percentage of total expenditure to the level of comparable metropolitan municipalities such as Cape Town and eThekweni.

7.2.2 Funding of City of Johannesburg capital expenditure

The three main sources of capital spending for local government are infrastructure grants (transfers recognised - capital) from national and provincial government, own-revenue and borrowing. Transfers recognised-capital, which is a municipalities' most important capital funding source, are infrastructure grants from national government and provincial government (National Treasury, 2011). Figure 7.2 shows the sources of capital expenditure funding for the City of Johannesburg's capital expenditure. Similar to the case of all municipalities, infrastructure grants, borrowing and own-revenue are the most significant contributors to the City of Johannesburg capital expenditure for the period 2010/11 to 2019/20. Infrastructure grants transfers are the overall biggest contributor, with internally generated funds also identified as a key player, particularly during 2013/14 when they accounted for 51 % of the City's capital expenditure funding.

Figure 7.2
City of Johannesburg capital expenditure funding sources



Source: City of Johannesburg (2017b)

According to the National Treasury (2011), municipalities are expected to fund their infrastructure programmes from their own funds, while direct infrastructure grants are only intended to supplement the capital budgets. This could

explain the significant contribution of infrastructure grants to capital expenditure for the City of Johannesburg from 2012/13.

7.3 Methodology

Region-specific CGE models focus on a particular area in a country and are therefore suited for capturing changes in a specific region rather than an impact on an economy as a whole. According to Partridge and Rickman (1998) and Rodriguez (2007), the structure of region-specific CGE models is quite similar to that of standard country CGE models. Region-specific CGE models identify industries, households, government and foreign agents whose behaviour is specified in a manner similar to standard models (Rodriguez, 2007). However, the foreign sector in region-specific CGE is treated in a manner which is significantly different from a national CGE model. In national CGE models Rodriguez (2007), Maisonnave et al. (2015) and Van Wyk et al. (2015) explain that the foreign sector represents the rest of the world, while in region-specific CGE models the foreign sector includes both the rest of the specific country and the rest of the world.

Like any CGE model, the City of Johannesburg CGE model is composed of a series of equations linking the behaviour of various activities, commodities and economic agents within the city's economy. The interaction of the different activities, commodities and institutions within the city is informed by the Social Accounting Matrix (SAM).

7.3.1 The model

The City of Johannesburg CGE model is an adaptation of the PEP standard model (Decaluwé et al., 2009). As pointed out by Rodriguez (2007), the hypotheses for city CGE models are similar to those of national CGE models; however, there is a need for adjusting some assumptions to take into consideration city-level peculiarities. Selected equations used in the City of Johannesburg CGE model are presented below. This model is a generic model which can be calibrated to any city SAM. The chapter adds additional equations to the generic model to fully capture the interaction of capital with the rest of the City of Johannesburg's economy. In addition, the chapter uses the minimum wage assumption to capture rigidities of the South Africa labour market in a more realistic way. Thus, the model incorporates minimum wages. This chapter, however, only applies this constraint to unskilled labour which receives the lowest wages and is more likely to be affected by minimum wage legislation. Furthermore, the chapter applies the wage curve for skilled labour instead of assuming a minimum wage universally across all labour categories.

Firms are assumed to operate under perfect competition where factor prices and prices of goods and services are given (price-taking behaviour), maximising profits subject to their production technology. The production of output is given by

a nested production function, as supported by Decaluwe et al. (2009). Two external agents are specified in the City of Johannesburg CGE model: the rest of South Africa (RSA) and the rest of the world (ROW). The demand side and supply side of the goods market are respectively characterised by a nested constant elasticity of substitution (CES) function representing the heterogeneity of commodities according to origin and a constant elasticity of transformation (CET) function representing variations in commodities sold on each market.

The City of Johannesburg CGE model specifies government income, savings and transfers at three administrative spheres: national government, provincial government and local government. Government income comes from capital income transfers and income of different types of taxes (total indirect taxes, total production taxes, direct taxes from households and from firms).

Direct income sources only apply for the national government, while total production and total indirect taxes are only applicable for national and local governments.

Income for the RSA is given by the value of imported commodities plus share of income from the local City of Johannesburg capital and external capital plus transfer income payments received from City of Johannesburg agents. Total income for the ROW is computed in the same way as total income of the RSA, but in addition, it is multiplied by the exchange rate to transform it into the national currency.

7.3.2 Data

The City Model of Johannesburg 2014 SAM used to calibrate the City of Johannesburg CGE model is based on a SAM provided by the Conningarth Economists. The SAM has 36 activities and 36 commodities. It has two factors of production, capital and labour; with labour disaggregated into nine occupations and four population groups (African, Asian/Indian, Coloured and White) giving a total of 36 labour categories. In terms of institutions, the SAM has 48 types of households disaggregated into 12 income deciles and four population groups, one representative firm, three spheres of government (national, provincial and local) and the ROW.

7.3.3 Model closures

Capital supply and demand, minimum consumption of commodity i by household type h , minimum wage, national and provincial government current expenditures, the City of Johannesburg savings and labour supply are exogenous in the model. Given that the size of the City of Johannesburg's economy is small relative to the world, world prices of imported and exported commodities are exogenous as the City has no influence on the rest of South Africa and world prices. The exogenous investment closure is adopted, and total investment expenditure is determined by the savings-investment equilibrium constraint. Thus, due to the savings-investment equality, capital is reallocated from other productive sectors to the City's sector fol-

lowing the increase in public infrastructure investment. Finally, the nominal exchange rate is the numeraire.

7.4. Simulations and results

7.4.1 Simulations

The chapter simulates a 10 % increase in the City of Johannesburg capital spending, which is the approximate annual average increase from year 2009/10 to 2016/17. In addition, the research simulates a 34 % decrease in the City's savings to fund the capital spending increase. As mentioned by the City of Johannesburg (2017b), the City's cash reserves (savings) are used to fund capital infrastructure spending.

7.4.2 Results analysis

It is important to highlight that CGE modelling results should not be taken as forecasts or point estimates of outcomes of scenarios (Ballingall et al., 2009). Rather, as discussed by Ballingall et al. (2009), Schilling and Pambudi (2015) and Thurlow (2004), CGE analysis is designed to give indicative results which show direction (increase or decrease) and relative magnitude (small, medium or large) of changes in key economic variables, given the structure of the models and input assumptions.

7.4.3 Macro results

The increase in the City of Johannesburg capital expenditure has overall positive impacts on the City's economy as shown by macro results in Table 7.1. A positive change in the City of Johannesburg's GDP as well as increases in the City's consumption of the commodity produced by its productive sector and in current government expenditure can be observed. National government savings are also positively impacted. However, savings by all agents in the City decline, most likely due to the decline in transfer income and total income for some households as shown in Table 7.1 and Table 7.2 respectively. Due to the savings-investment constraint and given that total investment is exogenous, as Johannesburg agents' savings fall, savings by non-Johannesburg agents increase for equilibrium to hold.

7.4.4 Sectoral results

An increase in capital expenditure for the City of Johannesburg's productive sector necessitates an increase in labour demand, which combines with the increased capital in a CES function to produce value added. Column 1 and Row 2 of Table 7.1 show that labour demand by the sector increases. As labour and capital demand increase, demand for intermediate inputs also increases. The increase in intermediate demand is in proportion to the increase in value added with which it combines in a Leontief function to produce the sector's output. Thus, the magnitude of change in

sectoral output, given in Column 2 and Row 2 of Table 7.1 is also equivalent to the change in value added and intermediate demand, because both are a fixed proportion of sectoral output.

Table 7.1
Selected macro results

Variable	% Change from Base
City of Johannesburg GDP	0.003
Consumer Price Index	0.03
Firm Savings	-0.03
Household savings	-0.02
Provincial government savings	-0.01
National government savings	0.13
Johannesburg agents savings	-0.51
Non-Johannesburg agents savings	1.9
Current government expenditures	1.62

Source: Simulation results

As output of the City's productive sector increases following the increase in capital demand, the output of sectors with which the City's productive sector has strong backward linkages (direct and indirect) increases, as they supply it with intermediate inputs. These sectors in turn have to increase their production to meet the increase in intermediate input by the City's productive sector. Consequently, the sectors with which the City's productive sector has direct backward linkages also increase their demand for intermediate inputs from their respective suppliers, triggering a continuous chain across the whole economy. Table 7.2 also gives sectoral output production results for key winners and losers from the increase in capital expenditure by the City of Johannesburg. Sectors which experience the highest increases in output production are electronic equipment (0.15 %), communication and medical equipment (0.11 %), communication services (0.11 %) and manufacturing of transport equipment (0.10 %). It is important to mention that these four sectors are not necessarily the ones with the strongest forward linkages with the City's productive sector. Rather, this is an outcome of an economy-wide impact, when the economy reverts back to equilibrium after the transmission of the increase in capital expenditure through multiple paths throughout the economy.

Table 7.2
Selected sectoral results

Sector	Labour Demand	Total Output
Local Government	0.62	3.69
Publishing and Printing	-0.13	-0.11
Basic Chemicals	0.02	0.01
Other chemicals	0.07	0.05
Machinery and Equipment	-0.58	-0.07
Electrical Machinery and Apparatus	0.08	0.03
Communication and Medical Equipment	0.22	0.11
Electronic Equipment	0.31	0.15
Manufacturing of Transport Equipment	0.11	0.10
Other Manufacturing and Recycling	0.04	0.02
Transport and storage	0.03	0.01
Communication	0.34	0.11
National Government	-0.04	-0.03
Provincial Government	-0.04	-0.04

Source: Simulation results

The increase in output production across sectors to meet the increased demand for intermediate inputs by the City's productive sector and the sectors supplying it with intermediate inputs necessitates an increase in labour demand. Increased labour comes from other sectors as well as from the pool of unemployed labour. Thus there is a reallocation of labour from other sectors. The overall impact thereof is a decline in labour in some sectors. As labour demand declines, output production in the respective sectors consequently declines. Table 7.2 shows that the sectors which suffer a decline in output production also experience a decline in labour demand. Sectors which experience the highest increase in labour demand are local government (0.62), communication services (0.34 %), electronic equipment (0.31 %), communication and medical equipment (0.22 %), and manufacturing of transport equipment (0.11 %).

The biggest losers, in terms of both a decline in output production and labour demand are publishing and printing and machinery and equipment, due to their weak direct and indirect linkages with the City's productive sectors. In addition, both the national and the provincial governments' productive sectors suffer a decline in labour demand and output production.

When the demand for labour increases in the sectors whose output increases, unemployment declines. However, the sectors which experience a decline in output cannot reduce wages due to the labour market rigidities in South Africa (minimum

wage and strong labour unions). Thus, labour in some sectors suffers retrenchment. As a result, some labour categories experience a decline in unemployment, whilst others suffer an increase in unemployment. Table 7.3 shows the changes in unemployment rate for different professions across population groups. Technicians and associate professionals, clerks and plant and machinery operators and assemblers gain the most, as they experience a decline in unemployment across all four population groups.

Table 7.3
Unemployment rate

	Africans	Coloureds	Asians/ Indians	Whites
Managers, senior officials and legislators	-0.33	0.003	0.08	-0.01
Professionals	0.08	-0.05	0.01	-0.04
Technicians and associate professionals	-0.22	-0.46	-0.22	-0.35
Clerks	-0.02	-0.02	-0.004	-0.02
Service workers and shop service workers	-0.01	-0.10	0.03	0.02
Skilled agricultural and fishery workers	0.01	0.01	0.01	0.005
Craft and related trade workers	0.06	0.03	0.05	0.04
Plant and machinery operators and assemblers	-0.04	-0.02	-0.14	-0.0003
Elementary occupations	-0.001	-0.17	0.10	-0.18

Source: Simulation results

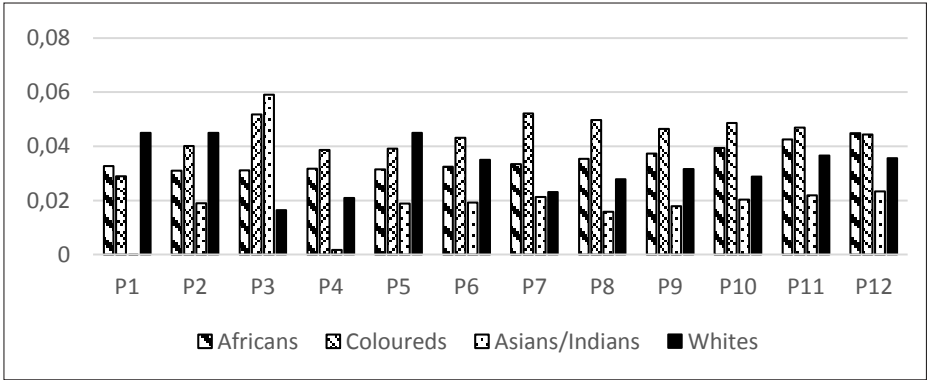
These are followed by elementary occupations, which benefit from this policy simulation, as they also experience a decline in unemployment across all population groups, except for the Asians/Indians group. Skilled agricultural and fishery workers and craft and related trade workers suffer the most, as they experience an increase in unemployment across all four population groups. In general, African, Coloured and White workers benefit relatively the most, as their unemployment declines for six of the nine employment categories, in comparison to Asians/Indian workers whose unemployment declines only in three labour categories and rises in the other six. Overall, the results indicate that an increase in the City of Johannesburg capital expenditure is beneficial for its economy in terms of unemployment impacts.

Despite the decline in unemployment experienced by some labour categories, the overall impact of the increase in capital expenditure for the City's productive

sector is an increase in labour income for all households. Figure shows that household income increases relatively more for the Coloured population group compared to the other groups.

Households receive transfer income from government, firms, the ROW and other households. For poor households (household group P1 to P6), generally between 30 % and 92 % of their transfer income is received from government. For more affluent households (household group P7 to P12), between 42 % and 98 % of their transfer income comes from firms (capital income). Following the increase in capital expenditure by the City, transfer income generally increases for the relatively poor households and declines for the relatively richer households as indicated in Figure 7.3.

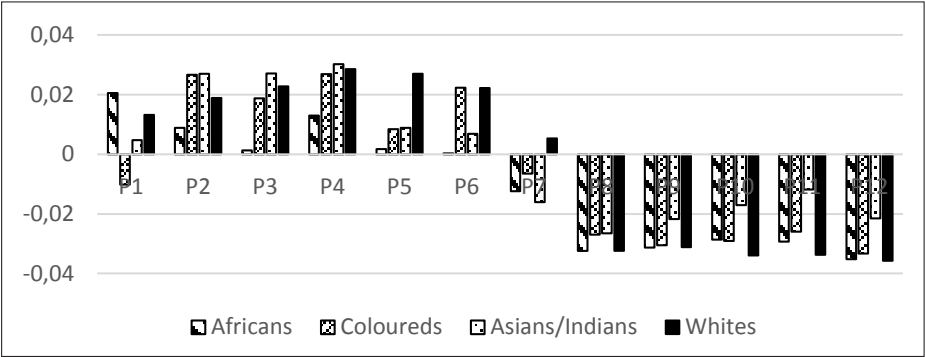
Figure 7.3
Labour income across household income deciles



Source: Simulation results

Transfer income from firms (capital income) accounts for a significant proportion of the majority of richer households' income (between 34 % and 82 %). Thus, with the reallocation of capital from private sectors to the City's productive sectors, firm capital income declines, and as a result, transfer income from firms to households also declines.

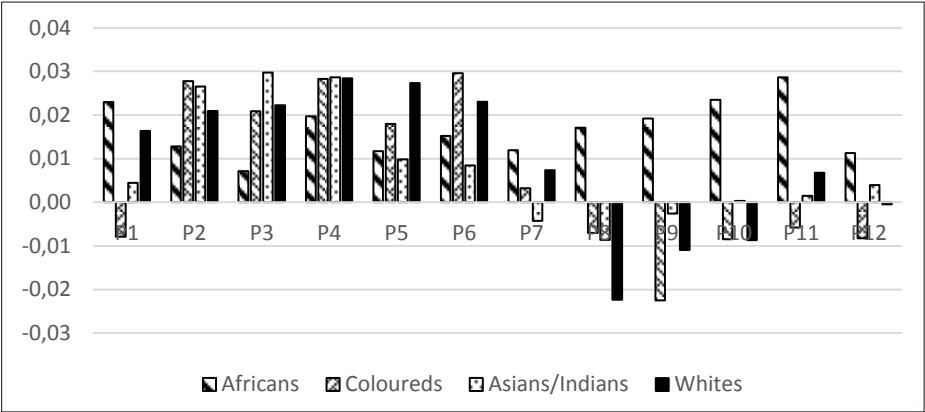
Figure 7.4
Transfer income across household income deciles



Source: Simulation results

The overall impact of the dynamics taking place in the economy on household income is given in Figure. Overall, the increase in infrastructure investment in the City of Johannesburg benefits its households in terms of the impact on their income. Income increases for all poorer households across all population groups (except the poorest Coloured households) and for all African households. Most richer households, particularly Coloured and White households, however, experience a decline in income. This shock on the economy might help address the problem of inequality which has gripped not only the City of Johannesburg, but South Africa as a whole for quite some time.

Figure 7.5
Total income across household income deciles



Source: Simulation results

7.5 Conclusion

The City of Johannesburg is faced with multiple infrastructure challenges, some of which include aged infrastructure and infrastructure backlogs. At the same time, there are several socio-economic challenges, some of which involve high levels of unemployment and sluggish growth. This chapter focused on understanding the impact of infrastructure investment at the city level. This research was conducted unlike most studies which study these impacts at the national level. The CGE model used simulated shock on the capital expenditure of the city. The main results from this study are that increasing capital expenditure has the positive effects that it does increase GDP and household incomes, and reduces unemployment in the city.

This study acknowledges that with a static model, it is not possible to capture public infrastructure externalities in the form of gains in productivity resulting from public capital investment. This shortcoming is argued to cause an increase in prices, as benefits emanating from productive investments in the economy are not fully captured by a static CGE model (Bahan et al., 2011). This study is a first step in an economy-wide analysis of the City of Johannesburg in particular and of other cities across the country in general. It presents an important contribution to the economy-wide analysis of regional economies at the city level, and offers a beginning for future modelling work in this area. For example, taking externalities into account is an area for further research.

Region-specific CGE models provide many advantages, particularly for evaluating impacts of various shocks at the sub-national level. However, they are not without weaknesses. As pointed out by Lofgren and Robinson (2002) and Rodriguez (2007), region-specific CGE models are incapable of analysing the impacts on other regions and the rest of the country. While the research acknowledges this weakness, the focus of this study was not to analyse other regions or the country as a whole, but rather the City of Johannesburg alone.

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Chapter 8

Analysing the Monitoring and Evaluation of the Household Food and Nutrition Strategy in South Africa

Mapula Nkwana¹, Lianne Malan²

Abstract

Vulnerability to hunger and inadequate access to the food required for a healthy life are challenges faced by the South African Government in an endeavour to ensure food security. This is despite the provision of access to adequate food being entrenched as a basic right ingrained in the Constitution of the Republic of South Africa, 1996. Furthermore, in 2013, the South African Cabinet approved the National Policy for Food and Nutrition Security (2013) in South Africa and the Household Food and Nutrition Security Strategy (2013). This chapter investigates the monitoring and evaluation of the four pillars of food security in South Africa, namely food access, food availability, stability of food supply and food utilisation. The chapter identifies the various sources of information used in the formulation of policies applicable to food security in South Africa and proposes specific imperatives for public policy formulation pertaining to food security in South Africa. Through a review of national surveys used in the formulation of the Household Food and Nutrition Security Strategy, the chapter proposes recommendations for the development of a monitoring and evaluation system for food security in South Africa.

Key words

Food security, monitoring and evaluation, policy implementation and food access

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8.1 Introduction

When designing policies, the decision-makers need information about the nature of the problem, its causes and consequences, and about the effectiveness and efficiency of existing policies. This is especially the case if the problems concern a wicked, enduring problem, such as poverty, hunger and food security. The right to access adequate food is universally regarded as a basic human right as reflected in the United Nations Declaration on Human Rights (United Nations, n.d., p. 52), the 1996 Rome Declaration on World Food Security (Food and Agricultural Organisation et al., 2009) and the United Nations Sustainable Development Goals to be achieved by 2030 (United Nations, 2015).

Countries have committed themselves to eradicate extreme poverty and hunger by half and to develop strategies to address food security nationally, regionally and globally (United Nations, n.d., p. 52; United Nations, 2015). Goal Two of the Sustainable Development Goals (SDGs) is to end hunger, achieve food security and improved nutrition, as well as to promote sustainable agriculture (United Nations, 2015). South Africa has, by becoming a signatory to the above mentioned declarations, committed itself to find ways and opportunities to achieve and promote the attainment of food security. A quarter of the world's population is currently not receiving sufficient food for a healthy and active life; with Sub Saharan Africa identified as the region with prevailing high rates of malnutrition (Food and Agriculture Organisation et al., 2015, p. 12). Although countries such as China and Brazil have reached the World Food Security (WFS) target of reducing the number of people who suffer from hunger by half, some countries in the Caribbean, Southern Asia and Sub-Saharan Africa still have trouble reaching this target. Sub-Saharan Africa remains the region with the highest rates of malnutrition in the world (Food and Agriculture Organisation et al., 2015, p. 12).

The Food and Agriculture Organisation et al. (2009) define food security as the situation in which all people continuously access the food required for a healthy life. The Integrated Food Security Strategy (Department of Agriculture, 2002, p. 13) defines food security as “the physical, social and economic access to sufficient, safe and nutritious food by all, to meet their dietary and food preferences for an active and healthy life”. Food security differs from hunger, with hunger defined as not having sufficient food to meet energy requirements (World Food Programme, 2016). The National Policy on Food and Nutrition Security (2013, p. 8) which was developed in South Africa, states that food and nutrition security refers to “access to and control over the physical, social and economic means to ensure sufficient, safe and nutritious food at all times for all South Africans, in order to meet the dietary requirements for a healthy life.”

Food security is also one of the strategic points identified in the National Development Plan and access to adequate food is a constitutional right in terms of

Chapter 2 of the Constitution of the Republic of South Africa, 1996. Section 27(1) of the Constitution of the Republic of South Africa, 1996, entrenches the right to basic water and food to all citizens. Section 28(1) states that every child has the right to basic nutrition, whilst Section 35(2) establishes that every detained person and sentenced prisoner has the right to access basic nutrition (South Africa, 1996).

Food security, within the South African context, rests on four pillars, namely adequate food availability, accessibility of food, utilisation and quality of food and stability of food supply (Department of Agriculture, Forestry and Fisheries, 2013, p.7). According to the National Development Agency (2013: 3), food availability refers to “the production and procurement of adequate measures of food available on a continuous basis.” Food access refers to the availability of sufficient means of acquiring appropriate food for a healthy and nutritious diet, and food distribution relates to the provision of food at the right time, to places where the food is needed. The fourth pillar of food security in South Africa is the stability of food supply. The supply of food in South Africa is impacted by natural, market, political and economic conditions (South Africa, 2013) and therefore, promoting the multiple pillars of food security necessitates a multi-sectoral government programmes approach. There are three different types of households in terms of the Household Food and Nutrition Security Strategy: firstly, households which are chronically under-nourished due to abject poverty and secondly, households which are under-nourished due to shocks. The third type is households which are in possession of adequate resources, but are under-nourished due to poor choices or because they are poorly served by consumer markets. The Household Food and Nutrition Security Strategy identifies problems relating to the fact that households are chronically undernourished, while others experience malnutrition (South Africa, 2013a). A further problem identified in the Household Food and Nutrition Security Strategy concerns information pertaining to the severity of household food insecurity, which is inconsistent or contradictory without a consistent measurement tool (South Africa, 2013a). Household food insecurity is a serious problem in both urban and rural areas, with each of these geographical areas having their own characteristics and challenges.

The question is whether policies in this regard are indeed based on sufficient information about the problem, its causes and consequences, and the effectiveness and efficiency of existing policies. This chapter provides an analysis of the information available to the Household Food and Nutrition Security Strategy in South Africa. The challenges for achieving household food security will be outlined and the barriers to the effective monitoring and evaluation of the multiple pillars of food security in South Africa will be described. Lastly, the chapter will identify recommendations for effective monitoring and evaluation in South Africa.

8.2 The need for monitoring and evaluation

Monitoring and evaluation are important tools which enable government to be effective in the achievement of its goals and objectives (Mofolo et al., 2014: 5). Evaluation assesses the actual results against the intended results, with regard to the evaluation of public policies. Evaluation of a public policy can have different areas of focus: the policy content or the implementation of the policy. Evaluation is defined by the Presidency (2009: 8) as an exercise which aims to provide reliable and useful information to guide policy decision-makers. Evaluation can be formative, on-going or summative. Firstly, formative evaluation has a specific aim which is to improve the design of the policy. Secondly, on-going or process evaluation is conducted throughout the process of policy implementation, in order to analyse the extent to which periods and budgets progress towards objectives and the quality and quantity of the outputs. Lastly, summative evaluation is evaluation which is carried out at the end of the implementation of the public policy, to determine whether the expectations and goals have been met. In terms of food security, monitoring and evaluation are important in order to continuously assess the effectiveness and impact of the policies and programmes in place, such as the Household Food and Nutrition Security Strategy.

Past studies conducted by Altman et al. (2009: 359) and Hendriks (2015) have highlighted the need for a proper system of monitoring and evaluating food security and advocated for the development of a national database for the monitoring and evaluation of food security. In the context of food security, good monitoring should include the availability of regularly updated indicators, as well as data which is collected from in-depth surveys, which allow individuals to provide their own account of their experiences (Food and Agriculture Organisation et al., 2013, p.9). The advantages for the development of a database include the prevention or reduction of duplication of efforts amongst different role players; reducing duplication of administrative costs between programmes and across sectors and monitoring time limits (Altman et al., 2009, p. 359). According to De la Briere and Lindert (2005: 6), as well as Barca and Chirchir (2014: 22), the reasons for a proper system of monitoring and evaluation include: the provision of oversight, monitoring and evaluation for policy-making and supporting common targeting which aims to unify targeting for multiple social programmes, including food security. Chitiga-Mabugu et al. (2013: 7) indicate the need for the inclusion of impact assessments after the implementation of food and nutrition security programmes, in order to inform policy formulation and policy targeting.

8.3. The information used by the household food and nutrition security strategy

The following are some of the surveys used in monitoring and evaluating food security in South Africa. Firstly, the General Household Survey (GHS) which provides information on household and individual food adequacy, food access and vulnerability to hunger has been conducted annually since 2002 (Statistics South Africa, 2015a, p. 1). The GHS covers six main areas, namely education, health, social development, housing, household's access to services and facilities, food security and agriculture (Statistics South Africa, 2015, p. 1). Secondly, the Income and Expenditure Survey (IES) which is an annual survey conducted by Statistics South Africa. The IES provides information on the labour market activities of the population aged 15 years and older who live in South Africa (Statistics South Africa, 2015b, p. 1). Thirdly, the National Food Consumption Survey (NFCS) conducted in 1999 and 2005. This survey provided data on food procurement, anthropometric and food inventories of households. The National Census, conducted in 1996, 2001 and 2011 by Statistics South Africa provided data on demographic characteristics, education, housing and migration (Statistics South Africa, 2011, p. 1). The Demographic Survey, which was conducted in 1998 and 2003 by the Department of Health, provided data on access and utilisation of key health services (Department of Health, 2007, p. 5, 6). In 2016, Statistics South Africa conducted the South Africa Demographic and Health Survey. The survey provided data on the fertility preferences of women, the mortality rates of children under the age of five, maternal health care, data relating to the physical and sexual violence against women, child health care, the nutritional status of women and men and women's exposure to the risk of HIV infection. The Living Conditions Survey was conducted to provide an analysis of household expenditure and income data during the 2008–2009 period and the 2014–2015 period (Statistics South Africa, 2015b, p. 1). The Living Conditions Survey provided a detailed explanation of the household consumption expenditure in twelve different expenditure areas. This information is presented and differentiated by geographical location in terms of province and the type of settlement, the household demographic relating to sex and population group (Statistics South Africa, 2015b, p. 1).

The South African National Health and Nutrition Examination Survey was conducted in 2012 by the Human Sciences Research Council (HSRC), the Medical Research Council and South African Universities. The results of the SANHANES provided data on the health and nutrition of South Africans (Human Sciences Research Council and Medical Research Council, 2012, p. 1). The SANHANES also provided information on the nutritional status of South African citizens' food security and dietary intake behaviour, and the knowledge, attitudes and behaviour of South Africans with regard to non-communicable and communicable infectious diseases. It highlighted the perceptions of those surveyed regarding health and health care services, as well as the health status of children under five years of age

and those between two and nine years of age regarding physical and mental disabilities (Human Sciences Research Council and Medical Research Council, 2012, p. 1).

Table 8.1
Percentage of households experiencing food adequacy
or inadequacy by province, 2016

Province	Food access severely inadequate (%)	Food access inadequate (%)	Food access adequate (%)
Western Cape	7.5	14.8	77.7
Limpopo	2.0	6.3	91.7
Mpumalanga	11.3	19.8	68.9
North West	11.1	25.5	63.4
Gauteng	4.0	13.4	82.6
Free State	5.8	17.8	76.3
Eastern Cape	5.9	20.5	73.6
Northern Cape	12.7	20.9	66.4
Kwa-Zulu Natal	5.8	18.2	76.0
South Africa	6.1	16.2	77.7

Source: Statistics South Africa (2017: 60)

Table 8.1 indicates that 6.1 % of households are currently experiencing severely inadequate food access, whereas 16.2 % of households are experiencing inadequate access to food (Statistics South Africa, 2017, p.60). Inadequate food access occurs despite the constitutional obligation on the government to provide access to adequate food, as well as the ratification and agreement by South Africa as part of the international community to promote the achievement of food security and the achievement of the right to access adequate food. The Household Food and Nutrition Security Strategy (2013) aims to ensure stable and affordable food prices - these include logistical and infrastructural inhibitors across food production and the value chain, which may affect food prices.

Through regional and international agreements such as the Universal Declaration on Human Rights, the Rome Declaration on World Food Security and the United Nations Sustainable Development Goals, South Africa has committed to ensure the provision of adequate food access to its citizens. However, there are households which currently suffer from inadequate food access (Statistics South Africa, 2017, p.60).

Table 8.2

Percentage of households with food security challenges living in RDP houses

	Experiencing Hunger Problems (%)	No Hunger Problems (%)
RDP	16.2	83.8
Non-RDP 2010	8.4	91.6
SA	10.2	89.8
RDP	17.3	82.7
Non-RDP 2011	7.5	92.5
SA	9.4	90.6
RDP	15.0	85.0
Non-RDP 2012	7.8	92.2
SA	9.1	90.9
RDP	16.0	84.0
Non-RDP 2013	7.4	92.6
SA	9.1	90.9
RDP	16.9	83.1
Non-RDP 2014	8.1	91.9
SA	9.8	90.2

Source: Statistics South Africa (2015: 120)

Table 8.2 indicates the percentage of households experiencing hunger, who live in Reconstruction and Development Programme (RDP) houses. A challenge identified in this chapter, which has an influence on food security, is that 16.9 % of the households living in RDP houses in 2014 indicated that they were more vulnerable to hunger than those that are not living in RDP houses. There is a need to investigate the reasons for their vulnerability to hunger. The GHS does not provide an indication with regard to the reasons why households living in RDP houses are experiencing hunger. This research asserts that one of the challenges to effective policy implementation is the lack of data collection tools which enable policy-makers to make informed decisions in respect of policy formulation. For the Household Food and Nutrition Security Strategy to be effectively implemented, there is a need to have an understanding of the context within which hunger and food insecurity occur. This will enable informed decision-making.

A further challenge which affects the ability of households to access food is the income at their disposal. The National Development Plan (2012, p. 363) targets the reduction of poverty-induced hunger to 0 % by the year 2030. Statistics South

Africa (2016) states that food insecurity occurs when people do not have the sustainable ability to both physically and economically access sufficient nutritious and socially acceptable food for a healthy and productive life. Changes in the food price have a bigger impact on poor households than on higher income households, as poor households spend 30 % or higher of their income on food, while higher income households spend 6 % of their income on food (Statistics South Africa, 2016, p.47). In South Africa, the food poverty line is the level of consumption beneath which individuals cannot obtain enough food for a healthy life (Statistics South Africa, 2016, p.27). Statistics South Africa (2016, p.7) identifies the following poverty lines, namely food poverty line, upper-bound poverty and lower-bound poverty, to enable a country to measure and monitor poverty at different levels. The food poverty line is the rand amount under which individuals are not able to procure or consume adequate quantities of food, which provides them with the minimum energy requirements for good health (Statistics South Africa, 2015a). Those living under the lower-band poverty line do not have sufficient resources to purchase or consume adequate food and non-food items. This leads to households sacrificing food items for non-food items. Households and individuals living in the upper band line (PBL) can purchase both adequate levels of food and non-food items (Statistics South Africa, 2016, p.7).

According to Selepe et al. (2015, p.3), households experiencing financial constraints decide to change their choice of food by selecting food which contains less nutritional value. The food price also impacts the choices that households make regarding food access. In situations where households are unable to access food, options such as food loans from shops and asking for help from neighbours and relatives are used, to enable households who cannot afford the price of food to eat. The fact that South Africa is food secure (food secure as a nation entails that a country is able to access the food products required, either through self-sufficiency or by importing food when necessary) as a nation does not necessarily translate to household food security (Mkhawani et al., 2016, p.69). Walsh and Van Rooyen (2015, p.134) identify economic development as a strategy to address the multiple challenges of poverty and food insecurity. It is also highlighted that policies should be both relevant and sustainable, in order to adequately address the challenges of food insecurity. There is a need for investment in interventions which improve the targeting of information that is provided to farming households, and information which can enhance access to new market opportunities (Walsh and Van Rooyen, 2015, p.134).

8.4 Challenges in monitoring and evaluating household food security

The Food and Agricultural Organisation et al. (2013a: 16) identifies a suite of food security indicators. Each of these indicators is used to measure a particular pillar of

food security. The following are the suite of food security indicators, as measured by the Food and Agriculture Organisation.

Table 8.3
Food security indicators

Food security indicators	Dimension
Average dietary energy supply adequacy Average value of food production Share of dietary energy derived from cereals, roots and tubers Average protein supply	Availability
Percentage of paved roads over total roads Road density Rail line density	Physical access
Domestic food price index	Economic access
Access to improved water sources Access to improved sanitation facilities	Utilisation
Cereal import dependency ratio Percentage of arable land equipped for immigration Value of food imports over total merchandise exports	Vulnerability
Political stability and absence of violence/terrorism Domestic food price volatility Per capital food production variability Per capital food supply variability	Shocks
Prevalence of undernourishment Share of food expenditure of the poor Depth of the food deficit Prevalence of food inadequacy	Access
Percentage of children under 5 years of age affected by wasting Percentage of children under 5 years of age who are stunted Percentage of children under 5 years of age who are underweight Percentage of adults who are underweight Prevalence of anaemia among pregnant women	Utilisation

The suite of food security indicators illustrated in Table 8.3 reflects the different factors which need to be considered, in order to effectively monitor and evaluate programmes aimed at addressing food security. The surveys used in the formulation, implementation and evaluation of these indicators should be coordinated in order to provide a clear view of the multiple pillars of food security for households and the country as a whole. Jones et al. (2013) state that important components to look at in the selection of food security measurements and indicators include questions relating to the components that will be measured, who will use the data and what type of data will be useful, as well as the purpose of the data. Food security programmes may benefit from a more critical systematic assessment of programme needs and intended use of data. The diversity and multi-sectoral nature of food security means that the programme development and evaluation, as well as the formulation will be diverse. Various programmes, such as school feeding and support,

address the pillars of food security for smallholder and subsistence farmers. These programmes are implemented by government departments in different sectors, and in this regard, food security is multi-sectoral in nature (National Policy for Food and Nutrition Security, 2013, p. 19). According to De Cock et al. (2013: 269), South Africa still lacks specific and accepted methods to measure food security and there exist no methods and surveys which are regulated to measure the multiple pillars.

There are limitations in the formulation of the Household Food and Nutrition Security Strategy which hinder effective monitoring and evaluation.

Currently the Subsistence Farming Unit located in the Department of Agriculture, Forestry and Fisheries is responsible for coordinating the management of food security in South Africa. This is a limitation, as it restricts a holistic multi-dimensional view of the four pillars of food security. Various stakeholders from different sectors including the social sector, the education sector and the rural and land development sector are responsible for the implementation of programmes which address the multiple pillars of food and nutrition security, and it is therefore important to ensure the coordination of monitoring and evaluation indicators in order to realise impact.

Secondly, outdated information is used in order to inform the formulation of the Household Food and Nutrition Security Strategy. An important consideration to be taken into account in the formulation of policies is the use of data that adequately describes the living conditions of communities where there are challenges for households and individuals in accessing adequate food. The use of out-dated information is considered a challenge, as it does not provide a clear understanding of the severity of the problem of food insecurity. In determining the percentage of children who are 'stunted', which is an indication of long periods of under-nutrition, the Household Food and Nutrition Security Strategy relies on data collected using the 2003 Demographic Survey (Household Food and Nutrition Security Strategy, 2013, p. 5). The survey data was collected ten years prior to the approval of the policy and the strategy by Cabinet, and the size of the population changed in the time between 2003 and 2013. This chapter argues that there is a need for the collection and use of more timely information collected on a continuous basis.

Thirdly, there are contradictions in the use of data in the formulation of the Household Food and Nutrition Security Strategy. The National Food Consumption Survey indicated that the total percentage of the population experiencing hunger decreased from 52 % to 30 % (Household Food and Nutrition Security Strategy, 2013, p. 10). This is contrary to the GHS, which indicated that between 2002 and 2013, the percentage of households which experienced hunger decreased from 29.3 % to 13.4 % (Statistics South Africa, 2017, p. 60). The same situation (households experiencing hunger) is expressed in different ways by the 2005 National Food Consumption Survey and the GHS. The problem exists in the development of measures and indicators for monitoring and evaluation, specifically in relation

to impact assessment and targeting. The importance of using adequate indicators during policy formulation is that without updated information, policy-makers may set unrealistic policy goals. The final limitation evident in the formulation of the Household Food and Nutrition Security Strategy relates to the set targets for improved household food security and nutrition. There is no indication of how these targets will be measured, which surveys would be used, and the source of funding available for the development and implementation of these measurement surveys.

Melgar-Quinonez and Hackett (2008) recognise the importance of efforts to overcome food insecurity and hunger which require effective and reliable monitoring and evaluation systems, in order to establish interventions which have a positive impact on food security. Sources of food consumption data can be captured on three levels: national, household or individual levels. Food balance sheets provide a national headcount of the food that is available for consumption in a country. Food balance sheets are useful in order to identify aspects such as the efficiency of food production, the available supply of food and the extent to which food policies are increasing food supply (Jones et al., 2013, p.483). National Household Surveys provide information relating to the income and expenditure of households and other characteristics for classification purposes (Jones et al., 2013, p.490). Dietary surveys measure the individual food intake by looking at both qualitative and quantitative descriptions (Jones et al., 2013, p.495). These different levels of measurement are costly and difficult to implement, which means that national surveys are used, as they are readily available. The importance of measurement using the different levels correctly is identified as specific gaps in food security monitoring and evaluation. Policy-makers need to ensure that interventions target the broad spectrum of food security.

Although there is an intention and willingness by government to ensure the achievement of food security, there are specific challenges which are evident in the formulation of the current strategy. A key factor to take into account is that without adequate indicators, the progress made and the impact of the various programmes cannot be clearly defined. The problem of scarce financial resources means that government cannot fund programmes without a comprehensive evaluation of whether the desired outcomes are derived from the policy interventions. This chapter proposes the development of a unified registry for food security in South Africa.

8.5 Recommendations and conclusions

Policy makers depend on timely, updated, accurate and consistent information, in order to set realistic policy targets as well as to develop, monitor and evaluate the implementation of programmes (Household Food and Nutrition Security Strategy, 2013). In order to inform policy formulation and implementation, there is a requirement to develop measurement tools and indicators which provide not only the

number of people that benefit from programmes and policies, but also to explain the reasons why households are experiencing hunger, food insecurity and food inadequacy. One of the annual surveys is the annual GHS collected by Statistics South Africa, which provides information regarding the multiple pillars of food security, both nationally and in the nine provinces, as well as in the metropolitan municipalities. The surveys which are available were conducted over a long time period, but do not provide adequate information for comparison. Without adequate, timely and consistently collected data and without the ability to compare, the capacity of government to determine the impact and effectiveness of programmes for food security is hampered and it is recommended that the determination is made regarding the indicators which are to be used to inform policy-making. This chapter makes the recommendation that, firstly, an analysis should be conducted relating to the information which is currently readily available to be used in the collection of data. The purpose of this analysis is to ensure that new data collection tools are not a duplication of those already captured in existing surveys. This research also makes the recommendation that a survey is developed and administered which provides for the recognition of the context within which programmes are implemented.

A challenge highlighted in this chapter is the use of out-dated information which does not adequately inform the development of policies that are able to address the current societal needs. Without adequate problem identification, the development of a policy made with the right intentions will not address the societal needs. The multi-sectoral nature of food security necessitates that those different government departments which are responsible for the implementation of programmes addressing the pillars of food security, should each have indicators to measure programme performance.

This chapter recommends the development of a unified registry for monitoring and evaluating the multiple pillars of food security in South Africa. Barca and Chirchir (2014: 21) define a unified registry as a registry which is organised into a database on all people and households registered with the intention and aim of recording and storing timely and updated information. The registry can be compiled of data collected by government departments for the different programmes. There needs to be agreement by different sectors as to who the vulnerable groups are in terms of hunger and food insecurity, and clear definitions of these groups need to be agreed upon and consistently applied across programmes. De la Briere and Lindert (2005) identify the requirements of a national information database as follows:

- Identify indicators for groups which are vulnerable to hunger and food insecurity;
- The establishment of a system for regular audits, cross checks and quality control;
- Manage performance and set goals and outcomes to assess effectiveness; and
- Clarify the responsibilities for implementing food security programmes.

Food security is not only a national priority in South Africa, it is a priority in Sub-Saharan Africa and internationally. The multi-sectoral nature of food security

means that there are different sectors which have programmes and strategies in place to address each of the four pillars of food security. Due to the variety of sectors which have programmes affecting food security, there is a need for monitoring and evaluation which reflects this multi-sectoral nature. The challenges identified in this chapter indicate the need for a national database for food security information. A case is also presented for the need for a unified registry for food security in South Africa.

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Chapter 9

An Assessment of Selected Anti-corruption Legislation Implementation in the Gauteng Social Sector Cluster

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Abstract

This chapter provides an assessment of the (non-)implementation of selected pieces of legislation on administrative ethics as implemented within the Social Sector Cluster in Gauteng in South Africa. A literature review, together with a document analysis on official reports containing statistics, primarily based on the mandates of the departments, were included in this research. This chapter considers the legislation process as well as the theories of implementing legislation and provides an assessment of the implementation procedures by focusing on key elements of prevention, detection, investigation and resolution mechanisms.

The analysis shows that there is limited success in the implementation of anti-corruption legislation in the Social Sector Cluster. The statistics obtained especially expose the lack of prioritisation of ethics and anti-corruption capacity building programmes. This is a cause for concern, since literature reveals that structured ethics and awareness programmes reinforce the mission of organisations, encourage adherence to policies and procedures and further support employees to resolve ethical dilemmas.

Key words

Anti-corruption, professional ethics, implementation, legislation

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9.1 Introduction

The purpose of the chapter is to explicate the areas which need detailed attention with respect to the implementation of professional ethics and anti-corruption legislation. This requires a clear understanding of the implementation process, before arguments can be submitted. This chapter will consider the legislation process as well as the theories of implementing legislation and provide an assessment of the implementation procedures by focusing on key elements of prevention, detection, investigation and resolution mechanisms in the Social Sector Cluster departments in Gauteng Province.

It is a classic idea that when bills are passed into legislation, implementation must commence. This expectation is hardly surprising, as legislation is primarily introduced to regulate or provide guidance on a particular matter. The anticipation is even higher when a concern that is being regulated relates to the misuse of public resources. Implementation in broad terms refers to the “act of making something that has been officially decided start to happen or be used” (Oxford Advanced Learners Dictionary, 2016). The implementation of legislation, according to Anderson (2015, p. 225), encompasses actions taken with the intention to achieve the objectives of the existing legislation, because they relate to the targeted group. More specifically, implementation of legislation is defined by various scholars and practitioners as the procedure by which the passed legislation by government is actioned by the appropriate stakeholders (Howlett and Ramesh, 2003, p. 185; Birkland, 2005, p. 181; Jann and Wegrich, 2007, p. 43; Knill and Tosun, 2012, p. 149).

In Public Administration it has long been known, since the classic book by Pressman and Wildavsky (1973), that the implementation of legislation does not necessarily take place when a bill has been signed by the President. This implies that laws can be passed and no action is ensured. For example, the Public Administration Management (PAM) Act, 11 of 2014 which, amongst others, seeks to prohibit all those working in the public service from conducting business with the same government institutions in which they are employed, was signed by the President of South Africa in December 2014. However, the PAM Act implementation dates had not yet been established by 30 June 2018.

Another critical assumption is that implementation of legislation is part of a broader process which, *inter alia*, includes problem identification or agenda setting, formulation, adoption, implementation and evaluation. This chapter accentuates two stages of the policy process, namely implementation and evaluation. The stages of the policy process are dependent on each other. Jann and Wegrich (2007, p. 52) and Brynard (2010, p. 191) acknowledge that the failure of legislation can either be as a result of ineffective implementation, or due to its design. For example, in demonstrating that stages for policy development inform each other, implementation and policy formulation are extremely inter-reliant procedures, and it has been

broadly recognised that attention should be given to the effect that policy creation has on implementation (Pulzl and Treib, 2007, p. 101). Brynard (2010, p. 194) and Lawton et al. (2009, p. 146) further express similar sentiments that the failure of public servants to implement the existing policies effectively can partly be explained as being a result of the lack of understanding when the significant implementation responsibilities are not simplified. This chapter investigates what is exactly the case when investigating the implementation of anti-corruption legislation in the Social Sector Cluster in the Gauteng Province in South Africa. In order to answer that question we will first address different implementation theories with regard to ethics management implementation, and will subsequently conduct a case-study on the implementation of ethics legislation within the Social Sector Cluster of the Gauteng Provincial Government (GPG) in South Africa. The chapter ends with conclusions and concerns.

9.2 Implementation theories

It is often argued that theory should support researchers to develop the necessary recommendations for public administrators with the intention of refining implementation. The theories of implementation research can be divided into three distinct categories, namely top-down, bottom-up and hybrid theories.

9.2.1 Top-down theory of implementation

If one decides on a policy, its implementation depends on the knowledge of the implementing actors to implement it, their capacity and their willingness. In the top-down policy design, the emphasis is on transferring knowledge and capacity, in order to have a policy implemented in the way it is designed. According to Anderson (2015, p. 227), top-down theory pays attention to senior public servants' activities, and the features which disturb their conduct, provided that the objectives of the legislation have been achieved and reformulated, based on knowledge. However, Knill and Tosun (2012, p. 158) and Birkland (2005, p. 182) highlight that the top-down approach refers to reviewing legislation's implementation process by understanding the primary objectives of the authorities and then monitoring the implementation at the grassroots level. In summary, most scholars concur that 'top-downers' generally begin from a policy pronouncement decided by senior authorities within a particular system and cascade "down" to the grassroots level.

The description of the top-down theory consents the submission of an observation which conforms to the South African context, where a single national government formulates the relevant legislation and it is expected that all three spheres of government implement the statute. All ethics and anti-corruption legislation in South Africa is enacted by the national government. Provinces are compelled by Section 125 (2)(b) of the Constitution of the Republic of South Africa, 1996 to

implement all general statutes within the functional capacities listed in Schedules 4 or 5, except where the Constitution or an Act of Parliament provides otherwise. Section 125(2)(d) also consents provinces to create their own laws which must lie within the boundaries of, or not contradict, the Constitution, 1996 (South Africa, 1996). There is room for provincial discretion or innovation to address unethical conduct. The inaccessibility of resources is not considered as an impediment to implement the policy by the top-down theory.

According to Birkland (2005, p. 183), one of the significant expectations of the top-down theory is that authorities at the national sphere of government comprehend the capability and obligation of public servants in other spheres. Consistent with this assumption, Pulzl and Treib (2007, p. 90) assert that for an effective top-down theory, those responsible for implementation must be provided with adequate means and, more significantly, an implementation plan and a competent person to monitor the progress. Therefore, the allocation of resources to implementers must be linked with the expectation to implement available legislation. It is argued that it is the national government's responsibility to ensure that implementers at provincial and local government spheres are provided with monetary and human resources, including guidance and expertise to implement the legislation effectively. The general concern in South Africa is that legislation is passed and provinces are expected to implement the legislation, without being provided guidance on its process and proper verification of whether the required personnel and budget are available for effective implementation thereof.

Birkland (2005, p. 184) highlights a central weakness of the top-down method, namely the implementer's capacity in the other spheres to administer the instructions from senior authorities at the national sphere, to ensure that legislation is implemented in a specific manner. Unfortunately, politics at provincial and local government spheres have the potential to compromise the implementation of legislation in these respective environments. Howlett and Ramesh (2003, p. 190) concur with this criticism and advance that senior authorities which provide an oversight role have a minimal role in the daily implementation of legislation, compared to public servants and the general public. In a South African context, national government has a constitutional mandate to pass legislation and should specifically be commended for passing ethics and anti-corruption legislation. However, for effective implementation of these pieces of legislation, a sound national or central government is needed to ensure that when instructions are sent to the implementers on the ground, they are carried out effectively. This requires continuous monitoring and submission of progress reports on the implementation of legislation. It should be clarified to all implementers that failure to submit these progress reports will have consequences.

9.2.2 Bottom-up theory of implementation

In bottom-up policy designs, the adequate implementation thereof also depends on knowledge and capacity and particularly on the willingness to do so, which is furthered by including the potential implementers of policies in the design phase. Birkland (2005, p. 185) explains that the bottom-up theory of implementation refers to reviewing the implementation of legislation by considering the objectives and competencies of officials at the local or provincial spheres, and then tracking the design thereof to the formulators at the national sphere. With this description as the angle of approach, Knill and Tosun (2012, p. 158) accentuate that the bottom-up theory requires officials at the implementation spheres to take consistent decisions about suitable options in a particular situation. Anderson (2015, p. 227) affirms that implementation studies should pay attention to the officials at the implementation spheres and how they execute their responsibilities. The level of participation, which is encouraged by the bottom-up approach, should be perceived as positive, particularly in democratic societies such as South Africa, because its citizenry is often reminded that “the power is in their hands”.

Pulzl and Treib (2007, p. 100) argue that exponents of the bottom-up theory of implementation have successfully influenced the public and researchers. The latter focus on implementation, which is more than a procedural execution of political instructions from those at the top. It is in this context that Howlett and Ramesh (2003, p. 190) highlight that the significant benefit of the bottom-up perspective is that it changes the consideration of all those who participate in developing and implementing legislation. The arguments and explanations submitted for the bottom-up theory of implementation suggest two significant considerations which are widely noted by researchers in public administration. The first one is an active citizenry which participates in the implementation of existing legislation to guarantee the achievement of this method, and the second is the expertise of the public enabling them to take comprehensive decisions, because they can challenge the information presented to them by public servants.

In addition, Birkland (2005, p. 186) argues that there are significant shortcomings which must be considered in the bottom-up approach. Firstly, it should be noted that the bottom-up approach exaggerates the capacity of the public servants at the implementation spheres to discourage the objectives of the national government. Secondly, the bottom-up theory of implementation concludes that citizens always participate during the implementation of existing legislation.

Pulzl and Treib (2007, p. 90) also assert that those who oppose the bottom-up theory hold that the public servants at the implementation spheres are the key drivers of implementation of legislation. Moreover, implementation is considered an opportunity to include all stakeholders. Succinctly, the arguments against the bottom-up theory of implementation reveal that success with policy implementation requires the citizens’ willingness to exercise their democratic right to participate

and influence policy processes. Furthermore, the bottom-up theory is also considered successful because an open government is required to consider the implementers' submissions.

9.2.3 Hybrid theory of implementation

A common ground between the two theories of implementation should be considered. The understanding of a public policy as stated by Brynard (2010, p. 193) is considered on an on-going basis, which can adjust its implementation. According to Knill and Tosun (2012, p. 158), hybrid approaches combine features of the bottom-up, top-down and other theoretical models. Pulzl and Treib (2007, p. 90) assert that the main feature of hybrid theories is their attempt to close the gap between the bottom-up and top-down theories of implementation by integrating all theoretical models' features.

It is important to note that in terms of the model of democracy, the bottom-up theory encourages implementers to participate in policy-making, which conforms to the values and principles governing public administration. Section 195(e) of the South African Constitution, 1996, stipulates that citizens must be provided with feedback on their requests and be involved in the formulation of policies. This is encouraging if one considers that the success of the ethics and anti-corruption legislation requires an active citizenry. A strong social compact among the sectors of society is needed, because they are familiar with the challenges within their communities. The success of the top-down approach firmly rests with a strong national government led by officials with integrity and who command respect in society at large. Leaving everything to the implementers, as advocated by the bottom-up approach, has the potential drawback that it causes chaos and a lack of guidance within the structures of society. Furthermore, politics within spheres of government can result in implementers ignoring topical issues which require public policy.

9.3 Applying the implementation theories to ethics legislation

With regard to the implementation of legislation on administrative ethics, the three dimensions – knowing what to do, having the capacity to do so, and having the willingness, also apply. Lawton and Macaulay (2009, p. 107) and Macaulay (2009, p. 34) argue that there is no surety that ethics reforms (including training and awareness) actually eliminate unethical conduct. However, Sayeed (2016, p. 48) acknowledges that ethics initiatives, as seen in ethics capacity building training programmes, might have an influence on competent officials who want to conform to legislation in performing their duties. Non-compliance, as suggested by Chipkin (2016: 3), has many causes, including operational processes which are poorly designed and/or officials who are inadequately trained to know how to adhere to

them. Employees need to be sensitised to ethics-related concerns, so that they can abide by existing policies. Hence they need to become knowledgeable and capable to act in an adequate manner, in order to combat unethical behaviour.

The goal of arranging training and awareness programmes, as reported by Wyatt-Nichol and Franks (2010, p. 39) and Menzel (2012, p. 85), is not to transform public servants into ethics specialists, but to underscore the objectives of the public service, remind employees to respect the existing legislative framework and further provide a platform for them to share their ethical challenges. Kuye (2016, p. 106) concurs with this argument and posits that arranging ethics capacity building programmes will partially strengthen public service departments, so that they can focus more on their core mandate, which is the implementation of existing legislation. It is imperative for departments to ensure that their employees are capacitated at regular intervals, because it will not only enable them to achieve their developmental goals, but also improve the implementation of existing legislation.

This is consistent with Montfort et al. (2013, p. 128), who submit two recommendations for public service and training agencies. Firstly, they argue that public servants who only possess a matriculation certificate and below are more likely to benefit from ethics capacity building programmes in the long-term than public servants with higher educational qualifications (tertiary). Secondly, ethics capacity building programmes should focus on those departments which experience ethical challenges, with the intention of improving the ethical climate and assisting officials with their ethical dilemmas. Wyatt-Nichol and Franks (2009, p. 39) and Raile (2012, p. 253) note that capacity building programmes arranged to address the ethical issues are likely to improve decision-making among public servants. Improved ethical decision-making among employees could increase adherence to existing policies.

Menzel (2012, pp. 247–248) states that according to Derek Bok (1990), an ethics training programme should assist officials to reason about difficult moral ethical challenges, with the intention “to be more perceptive in detecting ethical problems when they arise, better acquainted with the best moral thought that has accumulated through the ages and more equipped to reason about the ethical issues they will face in their own personal and professional lives”. Menzel (2012, pp. 244–246) specifically suggests three methods which should be used to teach ethics:

- Sensitivity and awareness: focusing on “do’s” and “don’ts” of professional ethics and anti-corruption legislation and the Public Service Code of Conduct, which prescribes the expected conduct of a public servant;
- Moral reasoning: assisting public servants with ethical decision-making skills during their performance of duties; and
- Leadership and exemplary modelling: senior politicians and public servants must demonstrate ethical leadership to serve as role models for junior public servants.

One might argue that all the programmes implemented to encourage disclosures and investigation of alleged cases of corruption are meaningless if action is not taken by departments to resolve these allegations. Another vital consideration is that resolution of cases brings credibility to the anti-corruption process. Citizens can only trust the call to fight corruption when they have evidence that some effort is made to not only investigate their complaints, but that disciplinary action is instituted against the implicated officials.

Compliance with the regulations is required to improve integrity within departments. Haruna (2008, p. 123) argues that implementing the compliance-integrity model necessitates robust competence which offers understanding in a work ethic for promoting human self-respect. The success of the compliance-integrity model minimises conflict of interest.

Ochoa and Graycar (2015, pp. 83–85) affirm that conflict of interest comprises an instance in which the public servant is improperly influenced by his or her private interest during the execution of official duties, and further state that conflict of interest has three common features, namely:

- Actual: undeniable conflict concerning an official's present obligations and current personal benefits;
- Perceived: an official's personal benefits can wrongly impact the execution of his/her responsibilities; and
- Potential: an official can, in future, be destructive in his/her performance by personal interest.

It is for this reason that the South African Department of Public Service and Administration introduced Anti-Corruption Capacity Requirements: Guidelines for implementing the Minimum Anti-Corruption Capacity Requirements in Departments and Organisational Components in the Public Service (2006) as a supporting tool for departments during the implementation process. The Minimum Anti-Corruption Capacity Requirements advise accounting officers to arrange the ethics capacity building initiatives which, inter alia, should encourage adherence to departmental and national policies, as well as the principles required for an effective public service.

As to legislation to manage conflict of interest, Section 30(1) of the Public Service Act, 103 of 1994 prohibits public servants from performing extra remunerative work outside the public service and they are advised to obtain written permission from the executive authority if they are interested in such activities. It asks for compliance with the disclosure of financial interests and remunerative work conducted by officials at management level within the Social Sector Cluster departments, as required by the Public Service Regulations (Department of Public Service and Administration, 2016).

In April 2016, the then Minister for Public Service and Administration issued the Public Service Regulations (Department of Public Service and Administration, 2016) which became effective from 1 August 2016, to replace the Public Service Regulations (Department of Public Service and Administration, 2001). According to the new Public Service Regulations (Department of Public Service and Administration, 2016), officials at senior management level should disclose their interests on an annual basis by no later than 30 April.

With regard to the willingness to act in case of witnessing unethical behaviour and seen from a bottom-up perspective, one can think of detection of corruption through whistle-blowing mechanisms, an internal audit function, the management of information on corruption, the reporting to other agencies and the role of managers to inhibit corruption. Employees need to be sensitised that their silence, when seeing or being aware of wrongdoing, has long-term consequences. Dryburgh (2009, p. 157) argues that whistle-blowers can be thought of as officials who risk their position, or even their lives, by exposing corrupt activities within their organisations to the investigating bodies and members of the public.

Although the environment, in most circumstances, is not conducive for officials to blow the whistle, Holtzhausen (2013, p. 67) suggests that it is vital for each institution to encourage and create a whistle-blowing culture. The various aspects which reinforce or weaken an employee's level of public service enthusiasm can inspire officials to expose any wrongdoing or to discourage unwanted conduct (Dryburgh 2009, p. 158). Apaza and Chang (2011, p. 116) affirm that previous studies posit that whistle-blowing is effective when officials have proof of unethical conduct.

It is in this context that Svensson et al. (2009, p. 504) argue, with good reason, that both public and private sector organisations should develop official procedures to support whistle-blowers. This approach will ensure that corrupt activities are exposed and investigated and that preventative measures are implemented accordingly. Furthermore, Holtzhausen (2012, p. 100) accentuates that official procedures encourage an ethical culture within the organisational environment.

Out of such reasoning, the Government of South Africa developed the Protected Disclosures Amendment Act, 5 of 2017. It stipulates the development of measures to guide employees in all sectors of society on how to divulge information related to unethical behaviour by anyone who has been implicated.

The Minimum Anti-Corruption Capacity requirements state that each accounting officer must, amongst others, develop confidential structures which promote the disclosure of and allow officials to expose unethical conduct. A decision was taken by the Cabinet in South Africa to have a single Public Service Anti-Corruption Hotline managed by the Public Service Commission (PSC).

9.4 The case-study

This section assesses the implementation progress of ethics and anti-corruption legislation within the Social Sector Cluster in Gauteng. Nine departments fall under the Social Sector Cluster, namely Cooperative Governance and Traditional Affairs; Education; Health; Human Settlements; the Office of the Premier; Community Safety; Social Development; Sports, Arts, Culture and Recreation and Treasury. The findings are linked to the failing implementation of ethics and anti-corruption legislation which include, inter alia, the Public Service Amendment Act, 30 of 2007, the Public Finance Management Amendment Act, 29 of 1999, the Prevention and Combating of Corrupt Activities Act, 12 of 2004, the Protected Disclosures Amendment Act, 5 of 2017, as well as Chapter 2 of the Public Service Regulations, 2016, which deals with conduct, financial disclosures, anti-corruption and ethics management.

The Gauteng Provincial Government has 14 departments, namely Agriculture and Rural Development; Cooperative Governance and Traditional Affairs; Economic Development; Education; Finance; Health; Human Settlements; Infrastructure Development; Roads and Transport; the Office of the Premier; Community Safety; Social Development; Sports, Arts, Culture and Recreation and Treasury. The strategic positioning of certain departments implies that they serve in more than one cluster. For example, the Office of the Premier and Treasury serve in all three clusters. The Gauteng Department of Cooperative Governance and Traditional Affairs has a mandate to serve in the Social Sector and Governance and Planning Clusters. The Gauteng Provincial Government departments are divided into clusters as depicted in the following Table.

Table 9.1
Clusters in Gauteng Province

Social Sector Cluster	Governance and Planning Cluster	Economic Cluster
<ul style="list-style-type: none">• Education• Health• Social Development• Human Settlements• Community Safety• Sports, Arts, Culture and Recreation• Cooperative Governance and Traditional Affairs• Office of the Premier• Treasury	<ul style="list-style-type: none">• Treasury• Finance• Office of the Premier• Cooperative Governance and Traditional Affairs• Roads and Transport	<ul style="list-style-type: none">• Economic Development• Agriculture and Rural Development• Infrastructure Development• Development• Human Settlements• Roads and Transport• Office of the Premier• Treasury

The Social Sector Cluster is an interesting case, as the overall financial cost of cases of financial misconduct implicating the Social Sector Cluster departments for

the 2011/12 to 2015/16 financial years is R18 641 710.50. This large sum can contribute towards service delivery projects in the province. The highest amount (R16 457 831.24) is for cases which were concluded during 2012/2013. The Gauteng Department of Health has the highest costs of cases of financial misconduct over the five years, totalling a substantial R16 856 638.10. The Gauteng Department of Social Development has the second highest costs totalling R394 310.17 (Public Service Commission, 2017, p. 18).

There are approximately 106898 (N) officials working for the Social Sector Cluster in the Gauteng Province in 9 departments as follows:

Table 9.2
Responsibilities of the departments in the Social Sector Cluster (Gauteng)

Department	Responsibilities/Priorities
Community Safety	Ensure that the province is safe and secure, including through monitoring policing agencies, implementing social crime-prevention initiatives, managing traffic, educating citizens about public safety and improving the relationship between communities and law enforcement agencies.
Cooperative Governance and Traditional Affairs	Effectively support, monitor and promote developmental municipalities and viable institutions of traditional leadership in Gauteng. Promote integrated service delivery towards Gauteng's development as an inclusive, prosperous and globally competitive city-region.
Education	Provide smart service delivery of quality public education and promote a dynamic citizenship for socio-economic growth and development by being at the cutting edge of curriculum delivery, providing access to quality lifelong learning opportunities and eliminating inequality in education.
Health	Improve health outcomes in the province by providing accessible, quality health care services at tertiary, secondary and primary health care levels.
Human Settlements	Provide integrated, sustainable human settlements in Gauteng and the development of mega human settlements in the Gauteng City Region aimed at decisive spatial transformation and broadening access to decent shelter and living conditions for all.
Office of the Premier	Act as the driving force for the implementation of the radical Transformation, Modernisation and Reindustrialisation Programme. It performs the key functions of providing support to the Premier and Executive Council, provincial policy coordination, development planning, spatial planning, strategic planning, monitoring and evaluation, service delivery coordination, inter-governmental relations, communications and promoting and facilitating meaningful engagement with the public.
Social Development	Drive accelerated social transformation, contribute to the eradication of poverty and hunger and ensure that the needs of the most vulnerable members of society are addressed, including through a variety of social development services.

Department	Responsibilities/Priorities
Sports, Arts, Culture and Recreation	Develop Gauteng as a vibrant home of champions. Sport, arts, culture and recreation promote nation building, social cohesion, economic growth and sustainable livelihoods.
Treasury	Promote good governance by providing stewardship on all financial matters in the province and ensuring the funding of the TMR Programme.

Source: Adapted from Gauteng Midterm Report (2017, p. 99–100)

9.4.1 Access to information

According to Section 32(1) of the Constitution, 1996, all citizens have the right to access information in the public service. Section 32(2) further requires that a national statute must be passed to authorise this right (South Africa, 1996). South Africa has the Promotion of Access to Information Act (PAIA), 2 of 2000 which conforms to this constitutional requirement. The Act requires, amongst others, filing the PAIA manual for placement at the department's offices and on their websites while also serving as a guide on how the general public can access the information which is stored at the public service institutions. The overall intention of the PAIA legislation is to encourage transparency and accountability within the public service.

The Office of the Premier and Gauteng Treasury are the only departments which have PAIA manuals available in English, Afrikaans, Sesotho and Zulu. The Provincial COGTA and Gauteng Department of Health should consider, in addition to English, to make the manual available in other languages. The Gauteng Department of Sport, Arts, Culture and Recreation also offers the manual in Sepedi, which is related to Sesotho. Access to information is crucial for citizens to assess government performance, scrutinise public sector budgets to encourage transparency and hold government accountable where necessary. Majila et al. (2014, p. 219) expand on this argument and assert that the absence of accessibility to information can have a negative effect on the implementation of measures intended to address unethical conduct.

A large number of annual reports are available in the public domain and it is encouraging to ensure transparency and accountability for the Social Sector Cluster departments. The PSC (2015) states that the citizen's annual report is a tool which can be used by the general public to gain insight into the deliverables and performance of government institutions. This can assist to promote public accountability. Although departmental annual reports are available, a large number of departments still do not provide their annual citizen's reports on their departmental websites (PSC, 2016, p. 45).

9.4.2 Training and awareness

The PSC (2016a, p. i) reported on the training and awareness programmes held by departments to sensitise employees about ethics and anti-corruption related issues (including Code of Conduct).

During the 2014/15 and 2015/16 financial years, only 3009 employees of the 156 836 Gauteng Social Cluster employees were involved in ethics and anti-corruption related training. The Gauteng Department of Human Settlements had trained 527 (65 %) of 814 employees, while the Office of the Premier had trained 244 (50 %) of 483 employees. The Gauteng Department of Community Safety had trained 285 (25 %) of its 1 151 employees. This was the only exception of a high number of employees who had been trained in ethics and anti-corruption related issues. The number of trained officials from departments with a high staff complement is extremely low. The Gauteng Department of Health trained only 1 749 (3 %) of 66 105 employees, while statistics of officials trained at the Gauteng Department of Education were unavailable. The statistics suggest a lack of prioritisation of ethics and anti-corruption programmes by departments within the Social Sector Cluster.

9.4.3 Managing conflicts of interest

According to the PSC (2016), the Gauteng Department of Social Development, the Gauteng Department of Human Settlements and Gauteng Treasury were the only departments which achieved compliance over a four-year period i.e. 2012/2013 to 2015/2016. The Office of the Premier has also been consistent with the exception of 2013/2014, during which time they did not achieve full compliance, with 98 % of their senior managers declaring their conflict of interests. It was reported that the Gauteng Department of Community Safety acquired 0 % during the 2014/2015 financial year because the executive authority failed to submit the forms to the PSC by 31 May as required by law. The other lowest compliance rate of 47 % was achieved by the provincial Department of Cooperative Governance and Traditional Affairs (COGTA) during 2013/2014. This could be attributed to Senior Management Services (SMS) members who had not prioritised the submission of their forms. The Gauteng Department of Sports, Arts, Culture and Recreation has, over a three-year period from 2012/2013 to 2014/2015, failed to fully comply with the submission of financial disclosures. It is encouraging to note that all the departments under the Social Sector Cluster managed to achieve full compliance during the 2015/2016 financial year. This achievement should be sustained over a period of time.

Ochoa and Graycar (2015, p.86) caution that an undesirable characteristic emanates when public servants fail to perform their official responsibilities or seek to acquire financially by prioritising their personal interests, which could impact on the delivery of public goods and services. The only department which recorded an increase (3 % to 9 %) in the number of SMS conducting Remunerative Work outside the Public Service (RWOPs) was the Gauteng Department of Social Develop-

ment (PSC, 2015 p. 6). The Gauteng Department of Human Settlements, which had the highest percentage of SMS performing RWOPS during the 2012/2013 financial year, had no SMS members performing RWOPS during 2013/2014 (PSC, 2015 p. 6). The PSC (2015) did not reveal whether all the SMS members acquired permission to undertake remunerative work outside as stipulated by legislation. Another important consideration is that reported statistics could be based on the information declared by officials when submitting their financial disclosures. Officials could choose not to disclose this information, especially if they had not acquired permission to work outside. Departments should implement mechanisms to detect non-compliance.

The PSC (2017, p. 22) also reported that there are 26 officials at senior management level in Gauteng who engaged in RWOPS during the 2015/2016 financial year. These officials had generated a total sum of R844 740 during the year in question. No analysis was provided of which departments these officials belonged to in the province. Thus, it was not possible to establish how the departments within the Social Sector Cluster were affected.

9.4.4 Detection

It has been observed that the Gauteng Province has received the highest number of cases reported to the National Anti-Corruption Hotline and other anti-corruption mechanisms available from other sectors of society i.e. Corruption Watch Anti-Corruption Hotline. The Gauteng Anti-Corruption Strategy (Gauteng Provincial Government, 2015, p. 7) notes the increasing number of alleged cases of unethical conduct in the province and further attributes this to the 2015 national census results, as released by Statistics South Africa, which revealed that citizens in Gauteng have greater access to household technology such as telephones, e-mail and faxes compared to other provinces. This provides them with the means to expose unethical conduct. The strategy argues that the increase in the number of reported cases of alleged corruption should be perceived as a positive response to a national call for citizens to report any suspected corrupt activities. It is encouraging to note that citizens in Gauteng still report instances of wrongdoing. However, the question is whether the departments do take action against those individuals who are implicated. The answer will be scrutinised in the following section.

9.4.5 Investigation

The Minimum Anti-Corruption Capacity requirements state that accounting officers must establish a capacity to investigate allegations of corruption. The Gauteng Anti-Corruption Strategy (Gauteng Provincial Government, 2015, p. 38) further states that the province has a centralised Gauteng Provincial Forensic Audits Unit based at the Gauteng Treasury. This is mandated by the Premier to manage cases received from the National Anti-Corruption Hotline. The Provincial Forensic Au-

dits scrutinise information provided by whistle-blowers to verify whether it is appropriate to warrant an investigation. They also verify whether the allegations are within the broad definition of fraud and corruption. The cases of alleged corruption which implicate officials from the Gauteng Provincial Government departments are delegated to the relevant accounting officer for decision and resolution. Accounting officers are encouraged to request assistance from the Gauteng Provincial Forensic Audits in instances when their respective department does not have the capacity to investigate cases of alleged corruption.

In the 2015/2016 financial year, 58 cases of alleged unethical conduct were received from the National Anti-Corruption Hotline by the Social Sector Cluster departments. The majority of the alleged cases were reported by the Gauteng Department of Education (29), followed by the Gauteng Department of Health (13) and the Gauteng Department of Community Safety (9). Feedback was received from 25 cases which were subsequently closed. The percentage of referrals resolved was 44 % of the total number of cases within the Social Sector Cluster departments (PSC, 2017, p. 48). However, of concern was that 33 cases remained pending. It is encouraging to note that the citizens report incidents of alleged corruption, so that departments can investigate accordingly. Of greater significance is that action can be taken against those that are involved in corrupt activities. The impediment is that investigation processes tend to take time. The PSC (2015, p. 54) recommends that accounting officers ensure timeous investigation, including the implementation of consequence management for the culprits. Section 35(3)(h) of the Constitution, 1996 provides that “every accused person has a right to a fair trial and, most importantly, to be presumed innocent until proven guilty” (South Africa, 1996). The South African courts have since developed jurisprudence around this provision and indicated that the prosecution in a criminal case has a burden to prove beyond reasonable doubt that a person is guilty. This is informed by English communal law which requires the accused to be given the benefit of the doubt until proven beyond reasonable doubt that he/she has committed the said offence (De Villiers, 2000, p. 62). However, since cases of alleged corruption are rather time consuming to resolve, an argument that is often submitted for consideration is whether a change in South Africa’s legal system to implement reversal burden of proof in the cases for unethical conduct can address this challenge.

9.4.6 Resolution

The Minimum Anti-Corruption Capacity (MACC) requirements encourage accounting officers to establish capacity to commence and finalise disciplinary action for cases of unethical conduct. There were 934 grievances lodged during 2013/2014 and 2014/2015. There was an increase of 1 086 for 2015/2016 which totalled 2 954 of grievances lodged by employees within the Social Sector Cluster departments over a period of three financial years (2013/2014–2015/2016). The Gauteng Department of Education (1 414) and the Gauteng Department of Health (1 148) con-

stituted the highest number of these grievances. This is not unexpected if one considers the staff complement of these departments. There were also a high number of grievances lodged by the Office of the Premier (112), 101 of which were lodged during 2015/2016. This is extremely high if one considers that the total number of staff in the Office of the Premier is approximately just over 400 officials. There are no statistics available for 2016/2017, but Creecy (2016, p.9) revealed during the budget vote for that financial year, that the Gauteng Treasury has re-engineered the Provincial Forensic Services which has enabled, amongst others, improvement in the implementation of recommendations of investigation reports. This initiative resulted in 125 employees facing disciplinary action across the province.

Section f(8) of the PSC's Grievance Rules for the Public Service (2003) requires the department (including the executing authority) to manage the submitted grievance and provide feedback to the relevant employee within 30 days. It is permissible to consider the extension period by the parties involved and any agreement should be written down as agreed. The nature of grievances received by the various departments included undermining authority, unfair treatment, salary problems and performance assessment, filling of posts, disciplinary matters and application approval. These might not specifically be corruption related issues, but they conform to effective implementation of legislation. Six hundred and fifty (60 %) of the 1 086 grievances which were lodged with the Social Sector Cluster departments were finalised within 30 days as legislated. The Gauteng Department of Sports, Arts, Culture and Recreation recorded an impressive turnaround time of 12 (86 %) out of 14 grievances lodged, which were finalised within 30 days. Considering the high number of grievances received, the Gauteng Department of Education (63 %) and the Gauteng Department of Health (78 %) also managed to resolve most of the grievances which were lodged with them within the stipulated timeframe. The Gauteng Department of Community Safety (36 %), the Gauteng Department of Human Settlements (23 %) and the Gauteng Department of Social Development (8 %) seem pedestrian in addressing the grievances within their departments within the acceptable timeframe. The cause for concern for the Office of the Premier and the provincial COGTA is that of all their grievances which were lodged during 2015/2016, none were finalised within 30 days (PSC, 2016).

9.4.7 Recovery

The Public Finance Management Act (PFMA), 1 of 1999 stipulates that the Minister of Finance formulates an investigation of financial misconduct regulations. Section 4.1(4.1.1) of the Treasury Regulations (National Treasury, 2001) stipulates that "if an official is alleged to have committed financial misconduct, the accounting officer of the institution must ensure that disciplinary proceedings are carried out in accordance with the relevant prescripts". The Gauteng Anti-Corruption Strategy (Gauteng Provincial Government, 2015, p.43) in conformance to the PFMA and Treasury Regulations encourages all departments in the province to implement for-

mal procedures for recovery of funds to ensure that they do not bear the burden of the financial loss due to fraud and corruption.

A total of 570 financial misconduct cases were finalised for the Social Sector Cluster departments for the period 2011/2012 to 2015/2016. The majority of cases (184) were finalised during 2012/2013. The Gauteng Department of Health finalised 486 cases over the 5 years under consideration. The Gauteng Department of Education (44) and the Gauteng Department of Social Development (20) also made considerable progress in finalising cases of financial misconduct. However, there is serious concern that the Gauteng Department of Human Settlements and the provincial COGTA have not finalised cases of financial misconduct over five years (PSC, 2016).

9.5 Discussion and conclusion

This chapter departed from the question about the causes of failed implementation of legislation which is meant to curb unethical behaviour in the public sector. After giving an expose about implementation in general, and in the case of anti-corruption, legislation in particular, it addressed the implementation of such legislation in the Social Sector Cluster in Gauteng. Many examples of non-implementation of the national legislation followed.

With regard to RWOPS, it was observed that in most instances, officials choose not to apply for permission to perform RWOPS, because they expect their applications not to be approved. These officials choose to continue performing RWOPS without the required permission. Thus, the best intervention for any department is to establish those who do not follow the legislated procedures and implement corrective measures for non-compliance (Mphendu 2018).

The Auditor-General revealed that irregular expenditure for the Gauteng Provincial Government increased to R6.5 billion (2014–15: R5.6 billion), which can primarily be attributed to continued non-compliance with legislation, particularly related to the procurement of goods and services (Auditor-General, 2016: 196–197).

Regarding the general provision of information, in breach of the PAIA, which requires filing of the PAIA manual, which must be uploaded on their websites, three out of nine departments had not uploaded manuals on their websites by 31 March 2017. Only two out of nine departments (the Office of the Premier and Gauteng Treasury) have PAIA manuals available in English, Afrikaans, Sesotho and Zulu. As of 31 March 2017, all the annual reports of the departments within the Social Sector Cluster were accessible on their websites. The majority of departments within the Social Sector Cluster still do not make the annual citizens' reports available on their respective websites. Only one out of nine departments has placed their updated (2015/2016) annual citizen's report on the website.

In compliance with the Treasury Regulations (National Treasury, 2001), 570 cases of financial misconduct were finalised for the Social Sector Cluster departments for the period between 2011/2012 and 2015/2016. The overall financial costs of cases of financial misconduct involving the Social Sector Cluster departments for the 2011/12 to 2015/16 financial years was R18 641 710.50. The Social Sector Cluster did little to recover monies lost due to financial misconduct.

In terms of the Prevention and Combating of Corrupt Activities Act, 12 of 2004, the Social Sector Cluster departments reported 58 alleged cases of unethical conduct during the 2015/2016 financial year on the National Anti-Corruption Hotline. Feedback was received from 25 cases, which were subsequently closed. The percentage of referrals resolved was 44 % of total cases within the Social Sector Cluster departments.

Although it is encouraging that citizens are reporting incidents of alleged corruption so that departments can investigate them accordingly, the impediment is that the investigation processes tend to take time because 56 % of the cases which were reported during the 2015/2016 financial year are still pending. The fact that there are a high number of allegations of corruption within the Social Sector Cluster reveals inadequate measures to inhibit acts of corruption.

The Public Service Regulations (Department of Public Service and Administration, 2016 in Chapter 2) deals with conduct, financial disclosures, anti-corruption and ethics management. The available data reveals that ethics and anti-corruption training is not prioritised, as only 2 % of employees within the Social Sector Cluster departments are trained. The Public Service Regulations (Department of Public Service and Administration, 2016) also require that public servants at senior management level disclose their interests. The implementation of the financial disclosures by the departments within the Social Sector Cluster has improved significantly because 100 % of all SMS members submitted the financial disclosure forms during the 2015/2016 financial year. However, submission of disclosure forms in itself is inadequate to manage corrupt activities.

In implementing the Protected Disclosures Amendment Act, 5 of 2017, there is an increase in the number of tip-offs related to acts of corruption in the province, and this is attributed to the observation that citizens in Gauteng have greater access to household technology such as telephones, e-mail and faxes, compared to other provinces. This provides them with the means to report corruption. The unavailability of official data on the number of officials who were victimised after reporting or blowing the whistle on unethical conduct is noted as a serious concern.

The assessment of selected anti-corruption legislation implementation in the Gauteng Social Sector Cluster has thus shown a lack of prioritisation of ethics and anti-corruption capacity building programmes by departments within this cluster. This is a cause for concern since literature reveals that structured ethics and awareness programmes reinforce the mission of the organisation, encourage adherence to

policies and procedures and further support employees to resolve ethical dilemmas. Such programmes are needed to increase knowledge, to capacitate, and to create the willingness to act against unethical behaviour, as emphasised in implementation theories.

Hence there is a clarion call for employees within the public sector in general and the Social Sector Cluster in Gauteng in particular to be sensitised on ethics-related concerns, so that they can abide by existing policies. Overall, it is evident that the various departments comprising the Social Sector Cluster need to renew their efforts on the implementation of ethics legislation, if the pursuit for an ethical Gauteng Province is to be realised.

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Chapter 10

The Fourth Industrial Revolution and Novel Skills Needed for the Public Sector

Norman Nhede¹

Abstract

This chapter focuses on the fast-moving and evolving trends in digital technologies that are leading to radical changes in societal demands. Existing research on the Fourth Industrial Revolution (4IR) has shown that despite the challenges and opportunities it presents, digitalisation has caused anxiety amongst public sector employees all over the world. Data used in this study are predominantly derived from secondary sources such as books, journal articles, newspaper articles and the World Economic Forum reports. Using a qualitative research design, based on systematic literature review, the need for relevant training to harness opportunities arising from the 4IR is discussed. Due to the novelty of the subject, a purposive data gathering process had to be adopted. This research followed a descriptive approach in understanding the threats and opportunities emanating from digitalisation.

The chapter argues that in order to fully embrace the 4IR, training public sector employees on the use of modern equipment is essential, although still lacking. The outcomes point to the need to develop comprehensive and robust training and development programmes, especially technological knowledge that enables managers to handle high volumes of digital information. This is relevant for policy makers as they increasingly face the challenges of changing tastes of customers' preferences and opportunities provided by the 4IR to improve on service delivery.

Key words

Fourth Industrial Revolution, digitalisation, training and development, artificial intelligence, digital age

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10.1 Introduction

History is dominated by a positive narrative about the use of technology. The public sector uses technology in order to deal with the multiple challenges faced at local and national levels (Msomi et al., 2016, p. 41). The 4IR, also known as Industrial 4.0 heralds the transformation of entire systems of production, management and administration. The emergence of the 4IR is set to shed off around five million jobs in the world, thereby scaring people with the potential loss of jobs (Shava and Hofisi, 2017, p. 203) or a changed job as the nature of work is also bound to change significantly. Both the developed and the developing countries are set to experience the effects of these changes if nothing is done to mitigate the impact of this revolution. The potential loss of jobs can have a negative impact on the livelihoods of the people.

The anxiety caused by the revolution is unprecedented and is triggered by ignorance about what these developments actually entail, which calls for the need to revisit existing human resource training and development programmes in order to enlighten people about the opportunities and threats of this revolution. It is imperative that human resource training and development aimed at increasing knowledge and skills in dealing with this revolution should be prioritised in order for the workforce to remain relevant to the needs of the ever-changing work environment (World Economic Forum, 2017b). On the one hand, these developments pose a serious threat and disruption to existing business models and labour markets, and on the other hand, present opportunities to solve issues, until now seemingly irresolvable (Xu et al., 2018). As a result, all organisations and especially public organisations, should have staff with the requisite skills to match the latest technological advancements, in order to anticipate the threats and opportunities posed by the 4IR (Naude, 2017). It is crucial for leaders to understand the major shifts to ensure that they have their skills planning and strategies in place in order to deal with the turbulence created by the 4IR (Hattingh, 2017, p. 21). Serving in the senior echelons of the public sector, public managers are expected to attend to governance challenges that impact the country. To ensure that they have the necessary skills and competencies to ensure effective and efficient delivery of public services to communities, public managers need to acquire the necessary skills and competencies relevant for the 4IR through training and development programmes.

The objective of this chapter is to explore the challenges and opportunities of the 4IR and the needed response from governments. To achieve this objective, the chapter seeks to answer the following research question: To what extent does the current training of public officials capacitate them to meet the new challenges of the 4IR? In order to answer this question the following sub-questions are answered consecutively:

- What is essential to the 4IR and which dimensions can be distinguished in this revolution?
- What are the supposed threats and opportunities this revolution poses?
- To what extent are governments capacitated to deal with these threats and opportunities and what policies are seen in this regard?
- To what extent are training and development programmes for senior public officials already focused on addressing the new threats and opportunities and how should it be changed in order to adequately address these issues?

The existing body of knowledge highlights that many countries are reluctant to embrace the much popularised 4IR due to the high rate of perceived job losses associated with the digitalisation of the economy (Shava and Hofisi, 2017, p. 205). The public sector's state of preparedness needs to be further explored, particularly against a background of rising globalisation, where no country is an island. According to the World Economic Forum (2017a), sub-Saharan Africa is home to 13 % of the world's working age population and is far from making optimal use of its human capital potential and under-prepared for the impending disruption to jobs and skills brought by the 4IR. Knowledge and skills of public officials have to change to meet new public demands. There is an urgent need to capacitate public officials, especially in developing countries, in order for them to remain relevant (Naude, 2017). It can be argued that societal demands have not only increased, but have also become more complex in nature, thereby requiring public officials who are conversant with new technologies. Understanding the 4IR is important because changes in technology have far-reaching implications on human resource training and development and subsequently service delivery. Consequently, public officials must possess the requisite skills to be able to utilise social and digital channels to interact with the public. This chapter aims to find the specifics of what is needed to deal with the new developments.

10.2 Theoretical foundation

Human capital occupies a central part in the life of an organisation. In the public sector, human capital is essential for public service delivery. How well the public sector operates depends principally on the quality of the human resources available and the way in which the knowledge, skills, attitudes and talents of these people are managed (Van der Westhuizen and Wessels, 2013, p. 1). Training and development of human resources is a strategy that has been used over the years in the public sector to acquire skills relevant to ever-changing realities. It is commonly accepted that the major task of any system of public human resource management is to ensure that public officials are competent enough to understand and respond effectively to this dynamic milieu (Van der Westhuizen and Wessels, 2013, p. 321). Different training methods, such as on-the-job and off-the-job training, have been deployed

depending on the nature of the training programme and the evolving complexity of the workplace over the years in line with industrial revolutions.

According to Schwab (2016, p.6), the word “revolution” denotes abrupt and radical change. It can be argued that the Industrial Revolution is one of the most celebrated watersheds in human history. The First Industrial Revolution had its own unique human resource requirements and so had the subsequent industrial revolutions (Xing and Marwala, 2017, p.10; Naude, 2017, p.4). Schwab (2016, p.6) argues that revolutions have occurred throughout history when new technologies and novel ways of perceiving the world trigger profound changes in economic systems and social structures. Jarbandhan (2017, p.61) adds that “the 4IR will be one of the most disruptive and transformative shifts in history”. The transformation process through the adoption of advanced new technologies can be challenging to public administration, particularly in developing countries where there are insufficient human and material resources (Kaplan, 2015).

In this chapter, it is argued that different skills and competencies were required for each of the previous three industrial revolutions. Similarly, the 4IR has its own unique skills to be acquired by senior public sector managers. Prior to the First Industrial Revolution, there was no specialisation, hence output was low. During this period, water and steam power were the mechanisation of production and the world constantly experienced shortages in the provision of goods and services. The First Industrial Revolution saw an improvement in people’s purchasing power and this development has been attributed to the rising demand for goods and services. It marked a shift from reliance on fellow human beings to a reliance on biomass as main resources. The industry was dominated by the use of water and steam power as production methods (Xu et al., 2018, p.90). The Second Industrial Revolution was experienced in the 19th century. During this Revolution, electricity distribution widened. This Revolution was characterised by increased mass production.

Since the 1950s, the Third Industrial Revolution influenced the societal focus on the development of information technology. It brought digital capabilities to billions of people across the globe. The main emphasis was on the automation of production. The 4IR is anchored on the Third Industrial Revolution, which focused on developing automation through computerisation (Jarbandhan, 2017, p.61). The 4IR focuses on artificial intelligence and the robotisation of economies and everyday life amongst a host of other technological advancements. This implies that technology is continuously changing and affecting socio-economic conditions and life styles of humankind. The changes are causing anxiety amongst employees who fear losing their jobs or becoming redundant as their skills and knowledge become irrelevant to the required new tasks and demands of the digital age (Xu et al., 2018). Even in relatively poor African countries, such as Angola and Ethiopia, there is a risk of having around 50 and 44% of current jobs being susceptible for automation and robotisation (Naude, 2017). Despite these fears, this technological wave has also

shown potential to accelerate and improve public service delivery in countries that have fully embraced it (Shava and Hofisi, 2017, p. 204).

The emerging 4IR focuses on cyber physical systems and new capabilities for people and machines. The new rubric for technological innovations is characterised by a fusion of technologies that blur the lines between the physical, digital, biological and neuro-technological spheres (Balkaran, 2017, p. 1). Smart objects are being used by the public to record information and communicate flexibly in this virtual world. Thus, the use of internet and social media platforms are central in the 4IR. However, the apprehension of governments or human resource practitioners is the substitution of human labour by machines and also the redundancy effect it has on human resource skills and knowledge (Balkaran, 2017, p. 1). The use of machinery now demands human beings to be multi-skilled. In this digital era, emphasis has shifted to collaboration between human beings and machines with the aim of allowing machines to detect faults automatically, thereby reducing production failures.

This chapter argues that, unless there is a shift from the traditional Third Industrial Revolution strategies and training programmes, the public sector may not reap the fruits of the 4IR. If senior managers do not re-skill or up-skill, they may not be able to provide guidance in the wake of new public demands influenced by mobile technologies and data. Without the required skills and competencies, public sector managers may not be able to contain simmering fears and anxiety amongst public sector employees. More importantly, they may not be able to keep themselves relevant and reduce potential job losses that are likely to trigger protests. According to the World Economic Forum (2017b), “most individuals relying on just one skill set or narrow expertise, are unlikely to sustain long-term careers in economies of the future”. Thus, relevant training and development enhances senior managers’ ability to harness opportunities and address challenges caused by the 4IR. Hence, there is a need for employees to have multiple skills which they can use when operating such sophisticated machines and big data. It is argued that the 4IR requires highly competent senior managers who are able to provide guidance and leadership.

10.3 Critical drivers for change

Industry has adopted modern technology with the aim of tackling supply chain problems, climate variation and persistent increases in demand for goods and services. The drivers have led organisations to drift away from skills demanded and developed as a result of the first, second and third industrial revolutions. Factors, such as broader socio-economic, demographic and technological changes, are the major drivers for the adoption of the 4IR. Drivers to change have emerged as a result of the changing nature of work. While change is considered to be the major driver for prosperity, it is also profoundly unsettling (Stewart et al., 2015).

Changes in technology are a result of changes in taste and preferences of society. Market competition has forced industries to look for methods which improve the quality of the product. Stewart et al., (2014) argue that technological advancement has become a common feature in industries as they fight to meet demands. The internet is being used as a platform for advertising and marketing of goods and services. Technology has now become a vital aspect of globalisation, presenting both opportunities and risks. Globalisation has contributed to the emergence of the 4IR as industries seek relevance in a competitive environment. Advances in computing power and big data, new energy supplies, the sharing economy and peer to peer platforms, as well as artificial intelligence, are some of the common indicators of the 4IR (Talwar and Harnock, 2010) which are believed to be the driving forces of the upcoming changes.

As mentioned above, demographic and socio-economic shifts have influenced the need for new technology. The demographic and socio-economic expectations have induced organisations to persistently seek to improve the quality of their products. The changing values of consumers and the demands for a better life have led governments to pursue the use of new technology (World Economic Forum, 2016). It is important to note that technological changes seem to be making positive claims as new prospects are being created. With global policies aiming to reduce environmental degradation and pollution, there is a need to embrace automation to reduce the emission of fossil gases (Deming, 2017; World Economic Forum, 2016). Put broadly, increased computing power, use of connected devices and artificial intelligence are driving the 4IR through revolutionising the way things are designed.

One of the tasks of any system of public human resources management is to ensure that public officials have the competence to understand and respond to the ever-changing milieu (Van der Westhuizen and Wessels, 2013, p.321). It is therefore appropriate to question the extent to which traditional training and development assist in preparing public officials for the 4IR.

At present, the following are the key competencies expected of senior managers:

- Strategic capability and leadership;
- Programme and project management;
- Change management;
- Financial management;
- Knowledge management;
- Service delivery innovation;
- Problem solving and analysis;
- People management and empowerment;
- Client orientation and customer focus;
- Communication; and
- Honesty and integrity (Van der Westhuizen and Wessels, 2013, p. 331).

Looking at these competencies, it can be argued that current training and development programmes focus on the functional competencies of senior managers. However, in the era of the 4IR, societies must invest in digital fluency and Information Technology Skills (ICT) literacy (World Economic Forum, 2017a). Novel skills are required for the 4IR and these would include the following:

- Novel and adaptive thinking;
- Computational thinking;
- Transdisciplinarity;
- Cognitive load management;
- Virtual collaboration; and
- Technological literacy and technical entrepreneurial skills (Hattingh, 2017, p.23).

An analysis of both sets of skills suggests the need for a paradigm shift in terms of the way education, and training and development programmes are to be designed and conducted. In South Africa for example, the Public Service Sector Education and Training Authority should, together with other stakeholders, review the country's strategies for preparing the workforce for the 4IR (Hattingh, 2017, p.23).

10.4 Information and privacy challenges for the public sector

As already alluded to in preceding paragraphs, information is vital and the greatest fear of governments is losing control over information. Cyber-warfare is increasingly becoming a serious threat to peace and security and new forms of crimes have the potential to seriously threaten public administration in the digitalised era. There are possible threats from hackers and cyber terrorists and therefore the 4IR calls for greater cyber security (Xu et al., 2018, p.93). Kernaghan (2014) adds that the 4IR can lead to the proliferation of terrorism and abuse by political fanatics. Abuse of information technology is rampant and this has exacerbated the fear of losing control of classified information, which is a security threat to many countries. Priscaru (2016) notes that the 4IR perpetuates inequality in the world order because already weaker and impoverished states still struggle to pass through the second and third industrial revolutions, yet developed countries have already conquered the 4IR. Technological advancement can contribute to the dehumanisation of people's socio-economic lives in areas such as values, integrity, ethics and morality. Xu et al. (2018, p.93) note that the 4IR will face obstacles regarding, amongst others, cyber security and ethical dilemmas that must be harnessed and overcome.

10.5 Legislation for public sector training and development

It is important to note that training and development in South Africa is guided by the Skills Development Act 97 of 1998. Besides the Skills and Development Act,

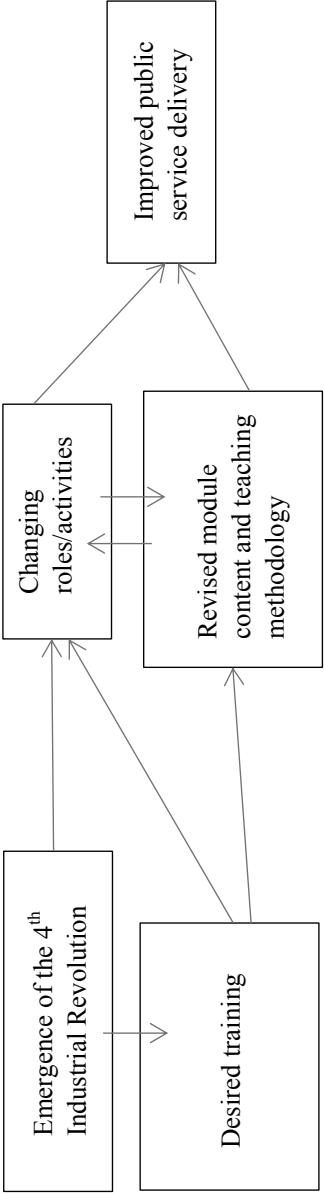
97 of 1998, the other regulatory framework is the 1997 White Paper on Public Service Training and Education. In accordance with the Act, the Public Service Sector Education and Training Authority (PSETA) was established and promulgated by the Department of Labour on March 20, 2000 (Van der Westhuizen and Wessels, 2013, p. 333). The PSETA is responsible for skills development and progression in South Africa through developing relevant public sector skills plans. It develops the competency framework and defines the competencies that are essential for individual public officials and for the Public Service as an institution in order for it to be successful in carrying out its mandate (Van der Westhuizen and Wessels, 2013, p. 329).

It is important to note that the PSETA trains and registers both national and provincial skills development facilitators. According to Van der Westhuizen and Wessels (2013, p. 333), besides training facilitators, PSETA also gives advice to different departments on the Sector Skill Plan and the development of workplace skills plans. Thus, training and development of public officials in South Africa is guided by relevant legislation. As the world embraces digitalisation, it is imperative that the government, the PSETA and other policy makers rethink the skills and strategies that are failing to prepare the workforce for the exponential pace of change that is disrupting every industry in every country and impacting every aspect of how people work and live (Hattingh, 2017, p.21). There is a need to adopt alternative teaching and training methods with a view to promote lifelong learning. According to Hattingh (2017, p.22), South Africa will first have to address two major barriers identified by the World Economic Forum in order to adapt to the disruptions caused by the 4IR. These are insufficient understanding of disruptive changes and a workforce that is not aligned to innovation strategy.

10.6 Training and development consequences

It cannot be over-emphasised that the 4IR requires highly skilled employees. Thus, employees need to continuously improve their skills in order to remain relevant to the changing way of life. They should have the ability to diagnose a problem, develop alternative strategies and select the best solution for implementation (Autor et al., 2003). Critical thinking and emotional intelligence are important for the 4IR. Creativity and innovation are also necessary in the 4IR, characterised by high levels of competition. For organisations to remain competitive, some degree of differentiation on products and/or services is necessary. Embracing the 4IR needs to be done strategically in order to promote the well-being and sustainability of communities. Shava and Hofisi (2017, p.213) argue that governments need to roll out training initiatives in order to capacitate workers on the use of modern technology. Without new and relevant skills, the future of public administration will be threatened. According to the World Bank (2014), the lack of skills and of research in Science, Tech-

Figure 10.1
Conceptual model



Source: Nhede 2018

nology, Engineering and Mathematics (STEM) is an indication that education and industry in sub-Saharan Africa is not sufficiently coordinated and collaborating.

Human resource training and development in Africa is essential in preparing to deal with public management challenges of the digital risk society. Shava and Hofisi (2017, p.204) point out that one of the greatest challenges for public sector organisations is to be in possession of the needed skills to match the latest technological developments. Msomi et al., (2016) assert that education is a tool that empowers people by giving them the necessary skills and means to create opportunities for both personal and economic growth. The curricula taught in schools and institutions of higher learning need to be re-examined and transformed with a view to promoting the teaching of novel and cognitive skills. According to Dassah (2014, p.358), new skills and capabilities are essential in order to integrate ICT in public administration. However, the quality of training and development programmes should enhance employability. Relevant training is the route to global competitiveness and responsiveness to new challenges arising from the changing public management environment.

To achieve economic growth, there is a need for significant economic transformation. Governments should view ICT as an enabler for economic growth and development (Dassah, 2014, p. 360). Contemporary society looks up to government through the public sector for effective and efficient service delivery. Use of advanced technology enhances the quality and quantity of services and/or goods provided. Suffice it to say, ICT training should be integrated into the schools curricula. According to the World Economic Forum (2017b), increasing the STEM literacy of the population is crucial. It can be argued that e-education is the foundation for new knowledge and a driver for wider ICT usage (Dassah, 2014, p.361). Concurring with Dassah (2014), the World Economic Forum, (2016) claims that for public administration to cope with the sophisticated and constant changes in the technological environment, education and re-education should be prioritised.

The emergence of the 4IR is inevitable. Figure 10.1 shows that this paradigm shift has necessitated the need for further training of senior managers to enable them to fit into their new roles. The 4IR is characterised by massive transformation which entails a review of the curriculum for further training and development of public officials. It is assumed that revamping the content of training modules to incorporate new technological skills and competencies would help in capacitating public officials to handle current and future challenges.

10.7 General findings

A critical review of literature on the 4IR resulted in several findings. One of the major findings of the study is that the 4IR poses both threats and opportunities. The study established that traditional education and training programmes have become

unsuitable for adequately preparing public officials to respond to the challenges of the ever-changing professional milieu. Some countries in sub-Saharan Africa have not yet fully embraced the digitalisation of the economy. The lack of preparedness has largely been attributed to employees' lack of requisite technological skills. Employees need to possess the necessary skills to operate the machinery in order to improve the quality of goods and services rendered to the public. From the literature, it can be concluded that most of the current training and development programmes are not information technology-driven hence there is slow progress towards digitalising government services. As such, there is a need to increase investment in technical and STEM skills (Naude, 2017).

The 4IR caused drastic changes in the way in which both the private and public sectors operate. There are many factors which should be considered for the 4IR to be achieved and this requires more investment from human capital to infrastructure development (World Economic Forum, 2016). It is important for governments to consider technological changes in all sectors of the economy. In the digital world, some employees now work from their homes under the virtual world concept. It has been observed that generally, sub-Saharan Africa needs to focus on sustained investment in online services, technological infrastructure and human capital development in order to keep pace with the rest of the world (Dassah, 2014, p. 349). There is a need for a paradigm shift that would entail massive capacity building through re-skilling and up-skilling of public officials.

Although some African countries like South Africa are heading towards the 4IR, there is still a need to develop new skills and approaches to education, relevant to the emergence of the 4IR. The new environment requires public institutions to fully embrace the digitalisation of some public services. The public sector needs first to train public sector managers so that they acquire novel skills which are needed to effectively carry out their mandate. Education and training institutions need to shift towards imparting complex problem-solving skills, creativity and social skills, collaboration, critical thinking and curiosity and risk taking, to mention but a few. There is a need for stakeholders to introduce the concept of the fourth generation in the education system. Re-designing the curriculum will prepare future human resources, not only to embrace technology, but to also have a sound understanding and appreciation of the digital work environment. The public sector needs to promote technical and vocational education. Online training and development programmes, tailor-made for public officials, should be introduced to enhance innovation and creativity. When government employees acquire the relevant skills, it becomes easier for the government to embrace the digital age. It is anticipated that the fast-moving and evolving trends in digital technologies would lead to a radical change in citizens' expectations.

It is necessary to have a policy which guides the public sector on how to effectively implement the concept without leading to job losses. A policy framework will

clearly lay out how institutions are expected to operate, ensuring that employees are protected. The policy framework should safeguard issues of privacy and security. With an enabling policy framework in place, people's fears and anxiety over the emerging 4IR will be minimised.

10.8 Conclusion

In this chapter a conceptualisation of the consequences of the 4IR was presented. Both challenges and opportunities have been highlighted. The 4IR is defined as the rapid change of socio-economic systems due to changes in digital technologies. Essential for the digital era is the need for relevant technological skills that enable one to handle high quality data. The main challenges are that some jobs will be lost, leaving some people without employment, whilst on the other hand, jobs might remain but require rather different knowledge and skills. The 4IR will also bring unpredictable nightmares to unsuspecting governments in terms of governance and control of classified information. Cyber-terrorism which can threaten the survival of public administration is likely to rise as a consequence of advancements in technology. The main opportunities include inter alia citizens' ability to express their opinions through social networks and other online platforms. E-government and e-participation could be enhanced and important decisions could be made promptly. Service delivery is likely to improve. However, the 4IR also has the potential to reduce labour demands and impose new requirements for training and development on an organisation's human capital. Public institutions now serve communities that are increasingly dependent on technology and for that reason public managers need to possess the requisite skills and competencies that enable them to utilise social and digital channels to interact with their subordinates and the public. The objective of this chapter was to explore the challenges and opportunities of the 4IR and the needed response from governments. To achieve this objective the chapter answered the following research question: To what extent does the current training of senior public officials capacitate them to meet the new challenges of the 4IR?

In the first section of the chapter a theoretical foundation was provided under which the concept of the 4IR was defined and discussed. Thereafter, threats and opportunities posed by the 4IR were identified, contextualised and explained. Public sector managers' capacity to deal with digitalisation was the nucleus of the discussion. The findings point to the need to capacitate public sector managers with relevant technological skills. A literature review of scholarly works on the impact of the 4IR enabled us to determine the main opportunities and threats posed by the 4IR on public sector managers in developing economies. However, it should be noted that it is not possible to detect all opportunities and threats given the radical nature of the digital era. Nonetheless, there is a need for managers in the public sector to constantly re-skill or up-skill in order for them to keep abreast with the swift

technological changes. However, another area for further investigation would be the role of stakeholders, such as the private sector, in the digital debate that is raging on.

It can be argued that, although many countries are working towards embracing new technologies through the creation of a well-equipped and competent workforce, much still has to be done to enhance the opportunities and minimise the threats posed by the 4IR. A review of the literature showed that governments are often unaware of the challenges, threats and opportunities that come along with 4IR and are hardly capacitated to deal with the new challenges timeously. Quick decisions can be made using modern technological devices. Governments are expected to shift from the mechanistic strategies of the Second Revolution, which has since lost momentum and relevance. This applies especially to collaboration with the public. Senior public sector managers are expected to be able to collaborate and partner with technology-driven providers, the market where technology is developed and civil society.

In this chapter it was further concluded that current training is severely lacking in providing the necessary skills for public sector managers to tackle the threats posed by and to make optimal use of the opportunities that come with 4IR. Not only further training, but different training is needed if the public sector is to be able to adequately respond to the new demands of the digital era. In particular, training in the use and application of new digital technologies has the potential to improve the lives of consumers of public goods and services. In light of the above, governments need not solely invest in training and development programmes as such, but especially focus on providing training with a view to capacitate the public sector to deal with the disruptions associated with the 4IR. The utilisation of the new technologies by the public sector to help solve service delivery challenges could benefit both communities and government organisations.

For countries to fully embrace the 4IR, governments should develop a comprehensive global view of how technology can affect and shape the economy and make the information known in order to ameliorate fear and anxiety among public sector managers. Making information available and easily accessible is essential in the digital world where data has become a source of wealth and public value creation. This requires political will and unquestionable commitment towards growing the economy in order to create more job opportunities. This will also improve governance and accountability as information will be available and easily accessed by individuals.

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Chapter 11

A Theoretical Analysis of Social Security in BRICS Countries

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Abstract

This chapter explores the challenges encountered by the BRICS countries in extending social security to their people. Well-designed social protection systems support incomes and domestic consumption, build human capital and increase productivity. The bold efforts in extending social protection amongst the BRICS countries have underlined its key role in reducing poverty and vulnerability, redressing inequality and boosting inclusive growth. Still grappling with the economic repercussions of the global financial crisis, the BRICS countries are faced with a deep social crisis which is also a crisis of social justice. Fiscal consolidation and adjustment measures threaten household living standards among the BRICS. Despite the progress made in reducing levels of extreme poverty in BRICS, high levels of poverty and vulnerability persist, and high and still rising levels of inequality are widely acknowledged as causes for great concern. Based on a theoretical analysis, this chapter argues that the BRICS countries have several challenges in common, which include administrative, institutional and sustainability issues.

Key words

Social security, BRICS, social protection, extending coverage, human rights, social assistance

11.1 Introduction

With only a quarter of the world's population having access to social protection, the case for extending coverage is gaining ground in international discussions (ILO,

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2010, p. 10). The debate focuses on how best to design social protection, whether it should be universal or targeted at the poorest groups, and who should provide and finance it. Social security has a powerful impact at all levels of society. It provides workers and their families with access to health care and with protection against loss of income, whether it is for short periods of unemployment or sickness or maternity, or for a longer time due to invalidity or employment injury (ILO, 2001, p. 2). In addition, it could also provide older people with income security in their retirement years (ILO, 2001, p. 2). Ultimately, social security can contribute to social cohesion and to a country's overall growth and development by bolstering living standards and cushioning the effects of any loss of income (ILO, 2001, p. 2).

Adato and Hoddinott (2008, p. 2) describe social protection as “policies and programmes that protect people against risk and vulnerability, mitigate the impact of shocks, and support people with chronic incapacities to secure basic livelihoods”. Social protection can be divided into two main categories: social assistance, which refers to non-contributory assistance or benefits provided to poor and needy groups in a population; and social security, namely contributory schemes which protect income earners and their dependents against temporary schemes or permanent involuntary loss of income as a result of exposure to contingencies that impair earning capacity (Kaseke, 2005, p. 91).

The focus of this chapter is to investigate the challenges encountered by the BRICS countries in extending social security coverage to their people. Based on a literature study, this chapter intends to deepen the understanding on whether and to what extent these countries face common challenges, or whether the issues involved are country specific. The main questions for this chapter are the following: what are the challenges encountered by the BRICS countries in extending social security coverage to their people and how can this be explained? The chapter is structured in the following manner. The first section discusses the overview of social security in the BRICS countries. Secondly, the chapter highlights the challenges encountered in BRICS countries. Finally, the chapter discusses what solutions could be provided to the challenges encountered by the BRICS countries in extending coverage to the majority of the people.

11.2 Social security policies in BRICS

The BRIC acronym reflects a concept first mentioned in 2001. It represents the loose political grouping of Brazil, the Russian Federation, India and China. The acronym was coined by Jim O'Neill, the then Head of Global Economic Research at Goldman Sachs, to refer to what he predicted would be the four fastest growing emerging economies (Pieters and Schoukens, 2012, p. 15). The group was formalised when the BRIC leaders held their first summit on 16 June 2009 in Yekaterinburg, Russia, calling for a more democratic and multi-polar world, based on the rule of inter-

national law, equality, mutual respect, co-operation, co-ordinated action and collective decision-making by all states (Pieters and Schoukens 2012, p. 15). “BRIC” became “BRICS” in late 2010, when South Africa was invited to become part of the group. Since then, the new acronym has symbolised the collective economic power of Brazil, the Russian Federation, India, China and South Africa. Since 2011, annual BRICS summit meetings have been rotationally held in China (2011), India (2012), the Republic of South Africa (2013) and Brazil in 2014 (Lu, 2014, p. 418).

The BRICS countries are known for their strong stance towards addressing and redressing poverty and the promoting of socio-economic welfare of their citizens through socio-economic development initiatives which collectively have seen them holding a cumulative GDP of US\$ 11.539 trillion in 2010 (Lu, 2014, p. 418). Regardless of the benefits gained by the BRICS countries, challenges and a gloomy reality remain.

Even although the BRICS countries have managed to sustain considerable economic growth over the past decades, they are still confronted with a number of challenges in safeguarding social and economic justice at both national and regional levels (BRICS Think Tanks Council, 2015, p. 69). The presence of high rates of inequality is a common challenge faced by all BRICS countries (BRICS Think Tanks Council, 2015, p. 69). Collectively, BRICS has an opportunity to set the agenda for ensuring more equitable and just solutions for all. This is especially important in light of the conclusions of the Millennium Development Goals (MDGs) and negotiations around the post 2015 Sustainable Development Goals (SDGs) (BRICS Think Tanks Council, 2015, p. 70). The BRICS countries have agreed on a common agenda to progressively advance a better life for all, and BRICS countries have increasingly adopted social protection as a key response.

The provision of social security among the BRICS countries is enshrined in legislation and regulations. In South Africa and Brazil, their constitutions serve as the legislative foundation, whilst in India, China and the Russian Federation, social protection programmes and policies are linked to the promulgation of various government labour regulations (BRICS Think Tanks Council, 2015, p. 70). Based on this enabling legislative and regulatory framework, virtually all BRICS countries provide workers with various forms of social security such as old age, disability and survivors, cash benefits, work injury, unemployment and family allowances (ISSA, 2014, p. 35), which are described below.

In terms of social assistance, Brazil is not only increasingly seen as a model for the rest of the BRICS countries, but for developing countries generally. A number of evaluations of the Brazilian system have consistently shown that it has resulted in a significant decline in poverty (from 16.4 % in 1995 to 4.7 % in 2009) and reduced inequality by more than 10 % in the same period. The introduction of the conditional cash transfer programme *Bolsa Familia* cannot be the only factor attributed to the decrease in poverty and inequality in Brazil. The *Bolsa Familia* covers the majority

of the population with a conditional cash transfer to every deserving family with children below the age of 17 and with a family income of less than one quarter of the minimum wage per capita. This benefit is meant to assist families not covered by pension benefits (Matijascic and Kay, 2013, p. 46). There are other factors which also contributed to the reduction such as employment creation, continuing increases in the minimum wage, and the wide distribution of social security benefits, which are, in turn, indexed to the minimum wage (ISSA, 2013, p. 36).

In Russia, the process of transforming the Soviet era social protection system began in the 1990s and the Russian Federation has been very successful in extending protection to the majority of its people. Financed through federal and regional budgets, the intention of Russian social policy is to improve the health of the population, to improve life expectancy, to increase the minimum wage to sustainable levels, to address the problem of old age poverty and to structurally and technologically modernise health care, education and other social services, making quality services accessible to the public (Government of the Russian Federation, 2004). Currently, Russian citizens have access to a number of social insurance policies such as pension insurance, obligatory health insurance, unemployment insurance, occupational accident and disaster insurance, disability insurance and social payments for maternity and child care, some of which were previously unavailable (ISSA, 2013). In addition, there are housing subsidies, tax relief, free public transportation and other benefits for people with low incomes (ISSA, 2013). According to the Federal State Statistics Service (2010), social insurance programmes now cover the majority of the country's population of 142 million people. In particular, over 38 million retirees are covered by pension insurance; over 130 million people by obligatory health insurance and the total working population, over 72 million people, by other types of social insurance programmes (Federal State Statistics Service, 2010).

India also has a number of large national social assistance programmes implemented at both the central and state levels. There are three distinct types of programmes which are as follows:

- Labour market/microcredit programmes designed to provide food for work and generate employment for able-bodied people, especially in rural areas;
- A food-for-work programmes; and
- Employment assurance schemes.

There are also welfare programmes for specific vulnerable groups such as the elderly, people with disabilities, and pregnant or lactating mothers. These include a food distribution system providing subsidised rice to poor people, and a mother and child protection scheme, as well as one that provides housing for poor people (Ministry of Rural Development (India), n.d.).

China has a social assistance system which comprises the following:

- A minimum livelihood guarantee system which covers urban and rural residents whose per capita income is lower than local minimum living standards;
- A five-guarantee scheme, which is a type of welfare scheme for widows, people with disabilities and orphans in rural areas, that provides basic livelihood and funeral expenses;
- Medical assistance systems which cover families in rural areas suffering from serious illness affecting their basic livelihoods, and whose individual medical expenses are unaffordable. In urban areas, the medical assistance system covers family members suffering from serious illnesses which affect their basic livelihoods, and the assistance method combines direct relief aid payments with a waiver of some medical costs (Juwei, 2010).

With just over 16 million recipients as of the end of January 2013, out of an estimated population of over 50 million people (Statistics South Africa, 2014), South Africa's social assistance system is one of the most comprehensive in the developing world. It comprises social assistance which constitutes grants which provide guaranteed monthly cash payments to targeted individuals, essentially children, the elderly and people with disabilities (ISSA, 2013).

11.3 Social security challenges in BRICS

The formation of the BRICS countries in the global economy reflects the significant role of these countries in terms of their economic, social and demographic environment. The changes have created a number of opportunities, but at the same time, they have posed some challenges for social security to adapt constantly to the dynamic situation in which these countries operate (ISSA, 2013). Several initiatives to extend social security coverage have already been undertaken, and these countries' experiences can be used as a foundation to build on. The success story of expanding coverage mentioned in this research can be exploited. However, the BRICS countries also have several challenges in common. This section analyses the various challenges for social security in the BRICS countries. They are both administrative and institutional and relate to sustainability issues. These challenges are discussed in more detail below.

11.3.1 Administrative issues

Expanding coverage to the poor and adopting several innovative measures in Brazil can be regarded as a success story, but there are still many challenges to overcome. A number of ministries in Brazil are responsible for the implementation of social security, namely the ministries of Social Security, Health, Social Development and Labour (Matijascic and Kay, 2013, p. 45). Moreover, the local level is represented by municipalities, the regional level by member states, and the federal level by cen-

tral government. It can be deduced that social security policy-making in Brazil is fragmented. In order to address these challenges, a more integrated approach is required to improve efficiency and expand services to an increasingly urban, ageing and heterogeneous society (Matijascic and Kay, 2013, p. 45).

Since 2000, the Russian Federation Government has adopted several measures, ranging from financial to administrative and other innovations, aimed at upgrading living standards. These measures were taken to bring an end to the Soviet legacy of numerous privileges (*Russian Igoty*) (Government of the Russian Federation, 2011). Some of these benefits included in-kind benefits and services such as free rail and inter-urban transport to places of rehabilitation and spa resorts, as well as access to some medicines. However, these measures were not supported either financially or logistically. The Russian Federation Government adopted the Federal Law No. 122-FZ (Government of the Russian Federation, 2004) as a way of ensuring adequate funding for such benefits (Solovyev and Karasyov, 2013, p. 56). The government embarked on initiatives to replace the Soviet-era privileged benefits with cash compensation in 2005. This law requires further amendment, according to legal experts and public opinion (Agaptsov and Degtyarev, 2008, p. 62). Nonetheless, a few specific groups such as Second World War veterans who were unable to enjoy certain benefits and privileges have argued that receiving financial compensation was an improvement (Solovyev and Karasyov, 2013, p. 58). The disintegration of general benefits to all is a challenge in the implementation of a universal social security system (ISSA, 2013, p. 55).

The implementation of social security programmes in India faces challenges at different levels. The first implementation barrier arises at the legislative level: any new legislation is tested first in Parliament itself and then in the courts at the local and national levels (Government of India, 2001). For example, in 2003, the Government of India established the Pension Fund Regulatory and Development Authority (PERDA). Even before the introduction of the Pension Fund Regulatory and Development Authority, there were disagreements between different government authorities, such as the newly formed Insurance Regulation Development Authority (IRDA) and the Central Bank (Reserve Bank of India) amongst others, as to who should regulate the pension funds. Regional authorities could hardly agree on where to locate the proposed Pension Fund Regulatory and Development Authority (Sinha, 2013, p. 98). Based on the above discussion, it can be deduced that disagreements between PERDA and IRDA in terms of the management of the fund pose a challenge. It is important that different stakeholders work together for the benefit of citizens.

To date, little is known about how the Chinese social security agencies have addressed key implementation challenges, despite the rapid expansion of social security coverage along the way. From 1999, the provincial governments have been authorised by the Provisional Regulations to collect social insurance contributions.

It enables them to decide whether social insurance contributions should be collected by a local social insurance agency (whose administrative expenses are also covered by the government budget), or by the tax authorities. This has resulted in the collection of contributions by both social insurance agencies and tax authorities, which amounted to 51.3 % and 18.1 % respectively; whilst in other areas, the task was carried out by both agencies (Hu, 2011, p. 17). This discrepancy in the collection process made it impossible for the government to obtain correct data about social security contributions. Therefore, it is important for the government to state clearly what the jurisdictional areas for social security agencies and tax authorities are, in order to avoid confusion (Lin, 2011, p. 20).

Another challenge in China is the issue of ICT, which is an important element used in enhancing efficiency, guaranteeing the safety of social insurance funds and extending social security coverage (ISSA, 2013, p. 89). The integration of resources has been affected by scattered construction and non-unified standards of the grass root information systems. In the emergence of different information systems and different schemes, as well as competition for insurance resources, there has been a common problem of double health insurance coverage for certain groups, such as rural enterprise workers, rural migrant workers, and rural students studying in urban areas. The promulgation of policies banning double coverage of any person for the same social security branch, as well as the use of a modern social security card system based on personal identity numbers, have been used to curb the challenge of double payment (Xu, 2010, p. 32).

In South Africa a major challenge in social security is that institutional and administrative frameworks are not integrated, with the consequence that the available resources are diminished by unnecessary duplication of processes and functions. This is inefficient and minimises the effectiveness of the South African social security schemes (National Treasury, 2011, p. 112). To remedy this problem, the President appointed an inter-ministerial committee on social security reform and health finance which proposed that the administrative functions be unified, benefits be aligned and policy-making across social security agencies should be coordinated (National Treasury, 2011, p. 112).

Generally, the BRICS countries are confronted with a number of administrative issues in need of urgent attention. This will enable the BRICS countries to improve the provision of social security.

11.3.2 Implementation and organisational issues

The BRICS countries face challenges of implementation and organisational issues relating to social security. In Brazil, for example, the Constitution of 1988 stipulates that social security should be integrated, but the policy implementation process has been fragmented because different ministries are responsible for implementation (Matijascic and Kay, 2013, p. 34). This situation has a negative impact on the social

security system. It generates managerial problems, reduced efficiency and higher administrative costs. This outcome is the result of vested and conflicting interests – the respective services are conducted independently, and the ordinary legislation to regulate health care, unemployment insurance, pensions and social assistance were approved separately (Matijascic and Kay, 2013, p. 34). One result is that the social security policy is not given priority by the government (Matijascic and Kay, 2013, p. 34). It is important for a government to coordinate all relevant stakeholders properly for effective policy implementation of social security at all levels of government.

The Russian Federation is affected by implementation and organisational issues, specifically in relation to the national health care system, where important innovations have been introduced. A single compulsory health insurance framework for all regions was created with the implementation of the Law on Compulsory Medical Insurance (No. 326-FZ) in 2011 (Government of the Russian Federation, 2011). In line with this Act, all health insurance allocations are to be distributed so as to have a per capita minimum for every citizen in all regions (Government of the Russian Federation, 2011). This has changed the funding principle, so that a service rather than a medical institution is financed. The implementation of this Act allowed individuals to choose which medical insurance organisation, medical clinic or doctor they wish to associate with, which had never happened before (Government of the Russian Federation, 2011). The introduction of the Law on Compulsory Medical Insurance (No. 326-FZ) seems to have improved the implementation process of the health insurance.

India also faces the challenges of implementation and organisational issues. It has been mentioned that corruption in India is high (Kannan and Vijiyamohanan, 2007, p. 30). For instance, under the *Rashtriya Swasthya Bima Yojana* health care scheme, it had been noted that private providers encouraged people to stay in hospital longer, even though they did not need to. Both providers and patients benefitted from this “win-win” situation, in the sense that providers received their scheduled fees, and the patients stayed in relative luxury in hospital (Ruchismita and Churchill, 2012, p. 51). However, this did not help the government and it was a classic case of unethical collusion between providers and patients (Ramesh, 2010, p. 25).

The implementation challenges in India are also found in the implementation of the Indira Gandhi National Old Age Pension Scheme (IGNOAPS). Beneficiaries are required to open an account, as the scheme states that payments should be made into the account of the beneficiary, whether through the post office, a postal money order, savings bank or commercial bank. However, the majority of the rural population in India do not have bank accounts, nor are there any banks nearby. The money order option was not available when the scheme started, which made it difficult for many beneficiaries to receive their payments in many states of India (ISSA, 2013, p. 89). It can be deduced that in a country like India, it might continue to be a

challenge to make programmes operate smoothly, efficiently and without problems, especially because democracy collides with corruption and poverty overwhelms everything else.

In the last few years, China has shown some improvements in tackling institutional fragmentation, which is still evident in the lack of portability and of coordination amongst different schemes covering the same or multiple social security branches (Lin, 2011, p. 41). Officials working in national government, provincial and local municipality social insurance agencies are professionally guided by a higher level of authority, but are appointed by their own level of government, and this determines the normal administrative structure of social security in China (Shi, 2006, p. 792). Moreover, this has enabled some provincial and municipal social insurance agencies (such as in Tianjin) to also implement pilot projects on management structures with the view that the provincial/municipal social insurance agency directly appoints the staff at different levels, administers all funds and collects all contributions in an integrated way (Shi, 2006, p. 796). A provincial structure has already been established in terms of basic old age insurance management in some regions, such as the provinces of Shaanxi, Heilongjiang and Jilin (Lin, 2011, p. 42). Such initiatives are important and welcomed in the wake of the much-anticipated national pooling of the basic pension fund. This may eventually lead to a structured national social insurance administration in the years to come (ISSA, 2013, p. 99).

Corruption, fraud and mismanagement are amongst the main challenges facing most social security schemes in South Africa. The Road Accident Fund (RAF), compared with other social insurance schemes, is affected most (National Treasury, 2011, p. 112). The number of people arrested for defrauding the RAF rose from 290 in the 2012/13 financial year to 478 in the 2013/14 financial year (Road Accident Fund Annual Report, 2014/15).

The organisational arrangements around special pensions are not perfect. National Treasury reports have pointed to the need to purge the Special Pension Fund of mismanagement and fraud. Some legitimate claimants of the special pension's benefits have been excluded and marginalised, due to the complicated application process, which is not user friendly (National Treasury, 2011, p. 112). This implies that there are organisational challenges in the implementation of the Special Pensions Fund. Some steps have been taken to remedy the situation: additional personnel have been trained and the Government Employees Pensions Fund and Special Pensions offices have been integrated at a regional level. Outreach programmes by the government have been held and district municipalities are expected to assist those who are unable to access services in towns and cities (Parliamentary Monitoring Group, 2011). A multifaceted administration, with a number of stakeholders involved and a rigid hierarchical structure is not always controlled and sanctioned in the most appropriate way. Therefore the BRICS countries should come up

with mechanisms and strategies to improve the implementation and organisational structure of social security.

11.3.3 Sustainability issues

The BRICS countries face sustainability issues. In Brazil, for instance, the reform efforts which began in 1993, although important, have been inadequate, in view of projected actuarial shortfalls that could have a negative impact on macroeconomic consequences in the future. In addition, the increasing expenditure on pensions for public servants and growing the National Institute for Social Security (*Instituto Nacional do Seguro Social* – INSS) cash flow deficits have brought on a fiscal crisis which has led to less spending on investment and more money being directed towards benefits (Matijascic and Kay, 2013, p. 21). The financial shortfalls are a result of the generous rules guiding benefit contributions. Giambiagi and Tafner (2011, cited in ISSA, 2013, p. 37) argue that the long duration and relatively high value of pensions as a result of lengthy contributions are expensive. Social policies guiding non-contributory pensions are relatively ineffective, which leads to high payroll taxes, which in turn acts as a motivation for workers to join the informal sector (ISSA, 2013, p. 37). Therefore reforms are necessary to contain costs, which could rise to reach 10 % of GDP, assuming moderate economic growth and a continued rise in the real value of the minimum wage. Unless reforms are implemented, Giambiagi and Tafner (2011, cited in ISSA, 2013, p. 38) point out that acceleration in growth will lead to worsening deficits. The proposed reform projects that expenditures will fall to 6.9 % of GDP, assuming 3 % annual GDP growth, or to 5.6 % of GDP with an annual GDP growth of 4 %. On similar assumptions, the INSS forecasts that by 2020 expenses will equal 6.3 % of GDP, with a projected deficit of 0.93 % and 3.5 % average annual real GDP growth.

Although progress has been made in Brazil in extending social security coverage, key challenges still remain. Some employees contribute on a regular basis, but about 50 % of the working population (which includes domestic workers, rural employees and employees in the unorganised sector) normally do not. This means that only 50 % of workers are contributing to the scheme, which overburdens the scheme (Matijascic and Kay, 2013, p. 34). Furthermore, many workers change from working in the organised to the unorganised sector of employment, and normally have long work periods in their work histories where they are not covered (ISSA, 2013, p. 38). It is common for low-income workers and women to work in unsafe working environments (ISSA, 2013, p. 38). The Constitution of 1988 made special financing arrangements meant to compensate for workers' differing abilities to contribute by redistributing funds collected by levies on a broader revenue base. The funding model for social security and health welfare reflects this mix of contribution-based and universal benefits (ISSA, 2013, p. 38).

The adequacy of benefits and pensions introduced by the Russian Federation to ensure financial sustainability of the social security system have been affected by shrinking production figures, tax and social contribution evasions, and increased inflation rates. The employment-to-population ratio has been adversely affected by unfavourable demographic trends, coupled with uncontrolled immigration (ISSA, 2013, p. 68).

The Russian Federation Government implemented anti-crisis measures which have been further developed by an action plan and then subsequently by the national anti-crisis programmes for 2009 and 2010, in order to deal with the global financial and economic crisis of 2008 (ISSA, 2010, p. 62). The federal government earmarked an additional budget of PUR 43.7 billion (about US\$ 672 million) to stabilise employment. To be specific, the maximum unemployment benefits went up by 50 % since early 2009. In order to create temporary jobs, combat mass layoffs and organise internal labour migration to fill vacancies in some regions lacking qualified specialists, the Russian Federation territories introduced 82 regional programmes to improve vocational training (Golikova, 2011, p. 78). Based on the above it can be deduced that the Russian Federation Government put systems in place to protect workers from the shock of the financial crisis of 2008. These interventions seem to have lessened the impact of the economic crisis.

India faces many challenges of sustainability of the various schemes provided by the government. One major challenge is risk management. The Yeshasvini Health Micro-insurance Scheme, for example, had three million beneficiaries at the end of 2012, but it had no risk provider (Kar, 2015, p. 23). Investment management is another challenge. In spite of the increasing attractiveness of some schemes, the financial burden imposed on the government, as a result of the need to maintain fund returns at relatively high fixed rates, may require significant financial expertise and constitute a financing challenge for the government (Sinha, 2013, p. 83). India's fiscal deficit is already higher than 10 % of its GDP. Its domestic debt to GDP ratio, at 80 %, is higher than the 60 % considered fiscally sustainable (Sinha, 2013, p. 83). Claim management is another challenge: with a claim ratio of 157 %, for example, the Yeshasvini Scheme risks bankruptcy, unless there is improvement in the management of the scheme (Ruchismita and Churchill, 2012, p. 51). Based on the above, it can be deduced that these challenges, if not properly managed, could have a negative effect. It is important for the government to come up with mechanisms and strategies to curb mismanagement of the scheme.

The first of a multitude of sustainability challenges which confront the Chinese social insurance system is the large amount of funded basic pension liability, estimated by the former Minister of Labour and Social Security in 2005 to be as much as CNY 6 trillion (about US\$ 961 billion) over the next 30 years (ISSA, 2013, p. 128). There are a number of factors which caused this problem: (i) the rapid ageing of the population, (ii) the distribution of the system, and (iii) the subsequent transition

towards a partly funded system without government funding for the middle aged and those already in retirement (ISSA, 2013, p. 128). As a result, it became difficult for the current economically active generation, because they are required to pay a very high contribution rate to take care of the retired generation, while they still need to save for their own pensions (Zhu and Qiu, 2013, p. 122). Individual pension accounts in some places, although they are founded on the principle of a funded contribution scheme, largely remain empty because almost all revenues have been spent to fulfil current pension obligations (ISSA, 2013, p. 128).

The growth in the monetary value of the social assistance grants and the number of social assistance grants beneficiaries is to be welcomed. This assertion stems largely from the poverty alleviation role played by the social assistance grants in South Africa. In most instances, and predominantly in Black households, grants (especially Old Age Grants) are the only family income. Old Age Grants, in particular, are used not only to recognise and assist the elderly through their old age, but stretch far beyond that to cater for the needs of the family (ISSA, 2013, p. 151). Nonetheless, these trends bring long-term financial sustainability of the social assistance grants system into question. According to Statistics South Africa's (2015) the latest General Household Survey, the number of people receiving social grants increased from 12,7 % in 2003 to 30,2 % in 2013, whilst the number of households receiving at least one grant increased from 29,9 % to 45,5 % over the same period. Based on the increase in the number of beneficiaries, these trends raise concerns about future sustainability (South African Social Security Agency Report, 2014/15; Organisation for Economic Co-operation and Development, 2010, p. 113).

11.4 Conclusion

This chapter compared social security programmes in the BRICS countries, focusing on actual developments in coverage, as well as on the challenges faced in these countries. It asked: what are the challenges encountered by the BRICS countries in extending social security coverage to their people and how can this be explained?

The challenges discussed include, amongst others, administrative, implementation and organisational and sustainability issues. As a result of these challenges, it is difficult to extend social security to their people. Corruption has become rampant among the BRICS countries, coupled with the incompetence of public officials who are responsible for the implementation of social security policy. Against this background it is difficult to expect successful implementation of social security in the BRICS countries.

Considering the essence of the BRICS countries' social security programmes, it could be argued that formal social security provision has historically focused on covering workers in the formal sector. All member states were forced to revise benefit rules, structures and financing, to facilitate coverage for the significant number

of people in the population who do not fall into this category, such as the self-employed and those in the informal sector. An undertaking of this nature requires strict measures, accompanied by appropriate administrative support, in order to achieve the desired extended social security coverage effectively.

Growing inequalities have also become a challenge for all the BRICS countries. This is one result of differing levels of coverage for different groups. It can be argued that social security programmes sometimes exacerbate inequality. Generally, rural communities are not well covered, compared to their counterparts in urban areas. It can be concluded that those in the organised sector have better coverage than those in the unorganised sector. In addition to this, the growing importance of company or private benefit provision may also contribute to inequality in terms of coverage and levels of benefits received.

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Chapter 12

The Geopolitics of the BRICS Trade Policy and Implications for South Africa

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Abstract

This chapter explores the geopolitics of the BRICS countries' relationship in intra-trade policy with a specific focus on South Africa. The chapter builds on previous articles which centred on an econometric analysis of BRICS trade and the benefits of BRICS integration by clearly exploring the BRIC trade policy with South Africa. The chapter is based upon key information reviews of the opinions of policy analysts, as found in trade policy documents, international trade data and secondary sources from international trade organisations, which provide insight into the mainstream policy proposals upon the matter. The chapter concludes that BRIC trade with South Africa is marred by significant geopolitical downsides through differing trade policy amongst participating economies. The outcomes point to the minor impact of BRICS integration on trade in member countries, particularly South Africa. A re-engagement of South Africa with the Southern Africa Development Community as well the Southern Africa Customs Union would result in more beneficial trade relations. Moreover, South Africa could play a significant role as signatory to intellectual property (IP) rights entered into by other African countries. Having registered and protected IP assets can raise the value of businesses and turn ideas into profit-making assets in the case of sale, merger or acquisition. This study is relevant as it explores South Africa's trade position with BRICS and the multilateral trading system, and suggests possible ways of revitalising challenges in the World Trade Organisation, particularly through trade policy.

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Key words

Geopolitics, trade policy, BRICS, South Africa

12.1 Introduction

The BRICS originated from the work of Sachs (2001) who identified Brazil, Russia, India and China as growing economies rapidly expanding to become a global economic powerhouse ahead of the Group of 7 (G7) economies (Mathur and Dasgupta, 2013, p. 8). The Group of Seven (G7) is a group of the world's most advanced countries, namely the United States of America (US), Germany, Canada, Japan, Italy, Spain and France. The member body sits on an annual basis to debate on prominent issues of international security, energy policy and global economic governance (Ito et al., 2017). According to Suresh and Dube (2013), there were visible structural changes in the BRIC economies prompting Sachs' predictions. Brazil had established a drastic economic stabilisation plan on privatisation towards the end of 1980, while major economic reforms were undertaken in India in the early 1990s. Congruently, Russia had proposed feasible strategies to regain its lost economic status, and China had survived the Asian economic crisis unharmed (Suresh and Dube, 2013, p. 5).

From 2001–2008, prominent economic changes were experienced within the BRIC economies, prompting a formalisation on 16 June 2009 in Yekaterinburg, Russia. Changes included, on the one hand, China exploring its modernisation capacity and hence overtaking Germany as the third largest world economy in 2007. On the other hand, Brazil became an international creditor at the onset of 2008 by introducing collaborated sovereign wealth funds for surplus capital investment together with China and the Persian Gulf (Suresh and Dube, 2013, p. 8).

The Chinese proposal of including South Africa in the bloc in the interest of developing African states prompted South Africa's inclusion into BRICS in 2011 (Onyekwena et al., 2014, p. 4). The main objective for the BRICS formation was to encourage commercial, political and cultural cooperation amongst BRICS member countries in contrast with the long standing bias of developed countries' involvement and prescriptions in international matters by particularly, the World Bank and the International Monetary Fund (Industrial Development Corporation, 2016). On formation, the BRICS accounted for about 20 % of the world growth which is sizeable to produce impact decision outcomes (Mathur and Dasgupta, 2013, p. 9).

With regard to trade, BRICS expressed their commitment to the Doha Development Agenda³ and the World Trade Organisation (WTO)⁴ so as to strengthen the foundations of international trade. The countries, however, cited the urgent need of the WTO to reduce protectionist practices and to give preference to the concerns of developing nations (Brazil, 2011, p. 3).

The US and the European Union (EU) dominate regional preferential trade arrangements with the Transatlantic-Pacific Partnership (TPP) (on hold) and the Transatlantic Trade and Investment Policy (TTIP). These are seen as a challenge to BRICS in prioritising the elevation of their trade diplomacy. The major withholding factor is the implication that these free trade agreements (FTAs) have in marginalising the WTO and thwarting the Doha Round trade negotiations. WTO–Doha is central to the global economic reform agenda regarding trade. Yet the stalling of the WTO–Doha has prompted the US leadership to deepen their own geo-economic integration whilst co-opting several emerging economies from South America and Asia. Many of the independent global states were left to manoeuvre multi-polar trade systems under the pressure of having to accommodate outcomes from the TTIP and TPP (on hold) negotiations, as such, impacting on the terms of preferences and reciprocities (Kornegay, 2014, p. 8).

On a global level, the situation requires action from the BRICS membership in leadership capacities on formulating coherent response tactics to the major threats of TTIP. Even if the BRICS as a bloc has to calibrate its position, South Africa has to deviate on an acute scale in recalibrating its trade strategy and trade interests amidst challenges in BRICS trade policy.

According to the International Trade Centre (ITC) (2016) on individual economy comparison, from 2011 to 2017, South Africa had a negative trade balance in all trade relations with the BRIC countries. South Africa could not compare with the other BRIC countries in merchandise and service trade. Total trade in both sectors from the least partner's trade was more than thrice that of South Africa (Greenaway and Kneller, 2007).

This chapter intends to answer the following question: Why was there no impact of BRICS integration on trade in specific commodity exports in member coun-

3 *The Doha Development Agenda* represents the latest powerful trade agreement in the WTO membership. The agenda was endorsed in 2001 with the aim of tariff reform through revision of trade laws and abolition of trade barriers (BRICS, 2015).

4 *The WTO* is a global entity which specialises in rules of trade between nations. Prominent in it are the various forms of global trade negotiations and amendments of the World's 162 trading members. The aim is to assist producers, exporters and importers of goods and services to conduct their businesses free of hassles. In so doing, they manage member countries' trade agreements, adjudicate over trade disputes, monitor national trade policies and provide specialised training and technical assistance necessary for international cooperation with other international organisations (Rodrik, 2018).

tries, particularly South Africa? In order to answer this question this chapter will consecutively answer the following sub-questions:

- How is the WTO inhibited from achieving its broad objective of international trade?
- What were the aims of the BRICS alliance?
- What have scholars argued to be the main inhibitors for achieving the BRICS goal on trade?
- What does an analysis of BRIC trade with South Africa show?
- What recommendations could be formulated given the outcomes of the preceding discussions?

The chapter utilises key informant reviews of policy analysts, trade data and secondary sources to investigate the causes of low trade, particularly from South Africa to BRIC nations. The first section provides a situational analysis on BRICS trade. The second section explores the BRICS trade policy with South Africa. The final section offers policy recommendations on BRICS trade with South Africa. The analysis is descriptive as it suggests ways in which South Africa could improve her trade position with BRIC countries.

12.2 The goals of the BRICS alliance

This section answers the first sub-question about the aims of the BRICS alliance. The BRICS countries agreed to form an alliance of mutual understanding; with the common goals of improving bargaining power at the multilateral level, increasing regional impact; ensuring access to markets and natural resources; facilitating financial cooperation; and addressing the current geopolitical gap, in order to attend to the post-uni-polar world (Ziya and Gencer, 2018; Kornegay, 2014). The alliance has managed to reduce the hegemonic power of the US, the EU and their associates. This is visible in the developments of Francophone and Lusophone penetration, as well as the density of intra-trade and investment among member countries (Tsaurai, 2018; Asongu, 2018).

That alliances such as BRICS can have such effects is argued, for instance, in the power transition theory (PTT). This theory emphasises how global change occurs in a peaceful way from a uni-polar (individual) world to a bi- or multi-polar (multilateral) world. According to the theory, most countries gain their power through alliances or internal capacities. The main argument is that such alliances improve the ability of each country to defend or enforce decisions in the global economy (Biersteker and Moret, 2015; Pu, 2018). The BRICS hegemony is a good example of the uni-polar-multi-polar power transition. As such, the bloc is regarded as a major threat to well-established trading blocs such as the EU, NAFTA and ASEAN.

Similarly, in the economic international trade (EIT) theory, the modern interdependence of economics due to globalisation and technology development is elaborated upon. This theory is used to explain trade creation and variation between customs unions, leading to the introduction of several extensions, and the prediction of statistic welfare, economic gains and the conglomerate effects within countries (Muravikh and Nikitenko, 2017). Countries trade more when they share borders or if they have cultural or colonial links (Chen, 2018; Razin and Sadka, 2018; Disdier and Head, 2008). The BRICS countries were founded by countries with different colonial links, but have a common culture in prioritising foreign direct investments, where all countries believe that trade relations raise economic welfare (Ito et al., 2017).

Another expected effect is that global trade agreements, such as the BRICS, make it easier for countries to access various broader markets, to improve their economic competitiveness and to achieve numerous geopolitical advantages. According to Vinnitskiy (2018), geopolitics refers to the analysis of the interaction between, on the one hand, geographical settings and perspectives and, on the other hand, political processes. Both geographical settings and political processes are dynamic, and each influences and is influenced by the other. The BRICS alliance has become a powerful trade and investment bloc in world economy. The member countries have signed numerous bilateral trade agreements (also involving South Africa), all with a positive impact on trade and growth (Rahul et al., 2016).

Notwithstanding the aims of organisations like BRICS and their broad goals, it is still uncertain whether the expectations are supported by empirical evidence, as empirical literature on intra-BRICS trade policy, and especially that with South Africa, is scant. Most studies, such as Rasoulinezhad and Jabalameli (2018), Sidorova (2018) and Nel (2017), analyse the benefits of economic integration among BRICS countries without discussing the trade policy implications. Erokhin (2015) studied the contemporary global developments, especially those involving Russia - particularly trade and economic integration, establishment of new international unions and alliances - and recent actions of Russia on the world stage and its efforts to shift the global balance of power. The study identified Russia as an initiator of geopolitical changes, positioned to dominate the world trading system, but did not relate this to its membership in BRICS.

Similarly, Tsheola (2016) analysed the relationship between economic freedom and performance in BRICS. From a critical theoretical perspective, the study questions the conceptual foundations for the business and financial framing of the BRICS, in order to explore political-economy realism and liberal institutionalism for transcendence towards nuanced notions of imperialism. The study concluded that the framing of the BRICS is itself a function of the geopolitical self-imaginary and civilising missions, as conceptualised in the nuanced imperialism hybrid.

Oehler-Sincai and Iulia (2018) argued that the BRICS alliance was formally set up in order to fulfil both economic and geo-strategic functions. The main objective was to capture BRICS' shares in world gross product, trade and investment flows. Findings from the study show that the BRICS cooperation framework adds value to the theoretical concept of partnerships for economic development.

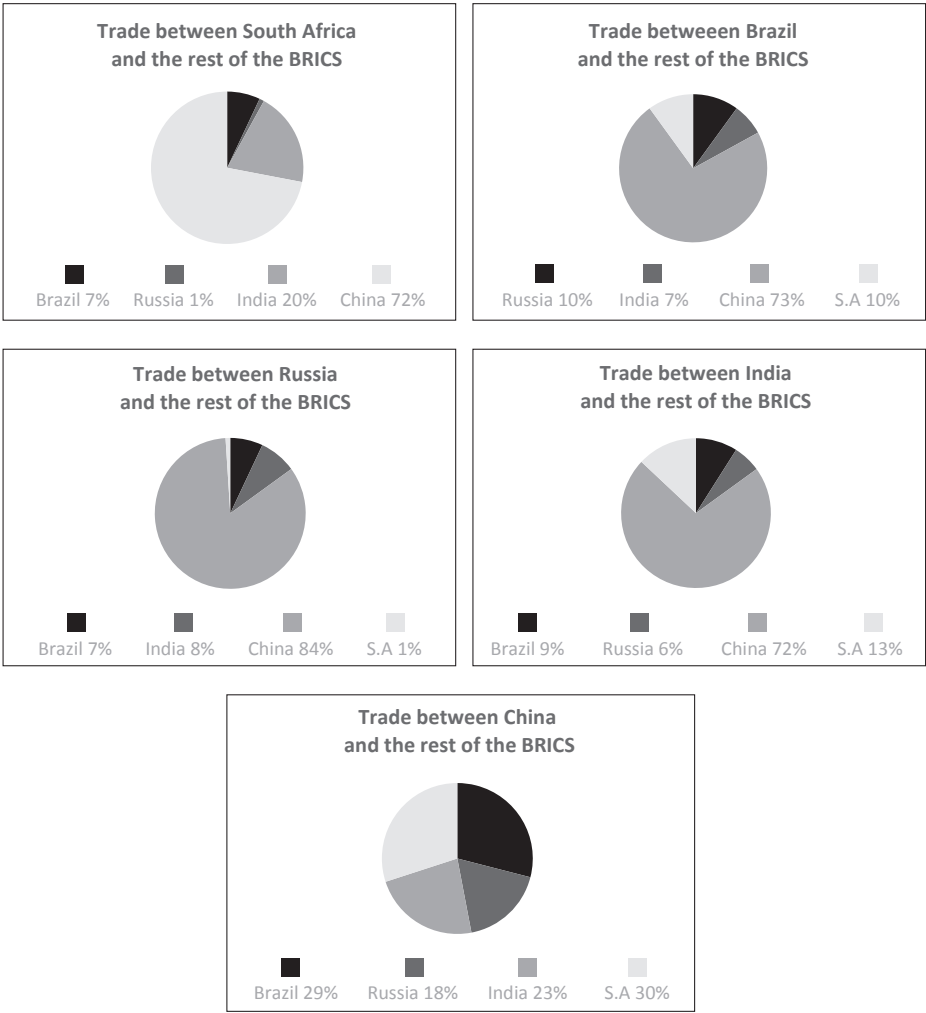
Singh and Dube, (2013); Kundu (2015); Muhabbat and Koreleva (2016); Fan and Wu (2017); Rasoulinezhad and Jabalameli (2018) explored the similarities of trade integrations between the BRICS member countries. The findings showed that the dominance of China in BRICS has made the Chinese Yuan's effects on trade with partners from different groups stronger than the effects of intra-BRICS trade with other BRICS members. In addition, the geographical distance, as a proxy for transportation cost, had a more negative effect on the manufactured goods and raw materials trade patterns of China and India than it did on other BRICS countries, hence creating dissimilarity in the trade patterns of the BRICS countries.

The studies above have a common thread in that they discuss the economic integration, interdependence and development of the BRICS economies. However, the studies offer limited insight into the answer to the question as to whether such effects have really occurred. This is due to data limitations, methodological flaws and the limited scope of those studies. Moreover, they do not explicitly discuss the relationship amongst BRICS countries in intra-trade policy. This chapter adds to the existing literature by unequivocally discussing the direct investment trends and patterns between South Africa and BRICS. It provides empirical evidence that has been lacking from the previous studies.

12.3 The actual trade within BRICS

BRICS countries partly complement each other's trade. Where South Africa, Brazil and Russia are champions of the energy and natural resources sectors, China's speciality is in the manufacturing sector, as this sector is viable using readily available labour and raw materials from Brazil, Russia and South Africa. India specialises in pharmaceuticals, software technology and the outsourcing of business processes (Mathur and Dasgupta, 2013, p. 16). Even though the BRICS have areas of speciality, their economies are upgraded to deal in all areas of economic activity under the auspices of a global value chain, which has implications for accelerated growth. Stiglitz (1999) termed this phenomenon intra-industry trade, which has seen the BRICS trading over US\$300 billion in 2011, with a target of US\$500 billion by 2015. The target has however not been reached due to various economic and social challenges in these economies (ITC, 2018).

Figure 12.1
Intra-BRICS Trade (by Destination).



Source: Own tabulation with reference to WITS (World Integrated Trade Solutions), 2017.

Figure 12.1 presents an analytical perspective of intra-industry trade within the BRICS from 2011 to 2017, in an effort to reflect on the intensities of trade. China was the leading trade partner for other BRICS countries, with a total trade share ranging between 72 % and 85 %. India’s share ranged from 7 % to 26 %. Only with China did Brazil record a double-digit figure. With the exception of China, where its share was 85 %, Russia made a smaller contribution to intra-BRICS trade, regardless of its ascension to the WTO in 2011.

Moreover, barring trade with China and India, South Africa's share was smaller. South Africa's exports were largely dominated by minerals and beneficial products, with iron ores and concentrates and coal related products dominant, with a total contribution to trade of 55 % in 2012 and 70 % in 2017 (WITS, 2018). To be specific, the leading exports were in the form of raw material, semi-finished products and fruits. Of these commodities, coal related products, iron ores and concentrates and Ferro-alloys dominated the top export list to Brazil, India and China. Fruits in varying varieties, including grapes, dominated the exports to Russia, with trucks, motor vehicles and manganese ores also prevalent (WITS, 2018).

Imports from Brazil were mainly household items, meat and edible offal. Mineral fuels, oils and distillation products and agriculture commodities, including wheat, muslin and industrially manufactured commodities such as synthetic rubber and fertilizers formed major imports from Russia. Ferro-alloys and coal related products were also amongst the top imports. This was regardless of South Africa's position as net exporter of the products to China and India, a position validating the Heckscher-Ohlin's (H-O) comparative advantage assumptions of trading nations (ITC, 2018). The H-O model states that countries export products which use their abundant and cheap factors of production, and import products which use the countries' scarce factors, for example Brazil imports rubber from Russia (Greenaway and Kneller, 2007). Thus, the endowments of the factors of production (land, labour, entrepreneurial and capital) determine individual countries' comparative advantage. This means that countries gain a comparative advantage if they produce goods which require locally abundant factors of production (Ito et al., 2017). Profitability of goods is determined by input costs. Goods produced by local abundant materials are cheaper than goods produced with scarce inputs.

Cars, diamonds, medicaments, petroleum oils and rice were the major imports from India to South Africa. The imports intensified with the formalisation of the BRICS, owing to the relaxation of trade and import tariffs. Imports from China were more diversified than those of the other BRIC members. Electrical equipment, data processing machines, motor spare parts, televisions, footwear and clothing were amongst the top Chinese imports from 2001–2011. The imports became more intense after 2011, and were skewed towards electric appliances for line telephony, automated data processing machines, printing machinery and footwear (ITC, 2018).

South Africa's trade composition with the BRIC is a major concern for employment and development. Influx of imports is detrimental to the local industry. This calls for a revision on trade policy, with BRICS partnering with countries so as to gain from the BRICS trade.

This section discussed the actual BRICS trade with South Africa. The aim of the next section is to analyse whether and to what extent the current BRIC trade policy is detrimental to South Africa's trade.

12.4 BRICS trade policy regarding South Africa

BRIC and South Africa trade policy debates are addressed through the WTO Uruguay Round, implemented from 1986–1994 and the Doha Round implemented from 2001 to date (WTO, 2016a). The objectives of the Uruguay and Doha meetings/rounds was to endorse the principles of General Agreement on Tariffs and Trade (GATT) trade rules previously considered as a no-go area for trade liberalisation, namely textiles and agriculture. The arrangement brought about new areas of interest in investment policy, service trade and property rights (Caporale et al., 2015). In the Uruguay Round, South Africa's participation was in the capacity of a developed country. As such, there was an endorsement for extensive cuts on the maximum bound tariff rates. This was exactly the opposite with other BRICS countries whose tariff structure fell under unilateral liberalisation. Export restraints on South African exports to emerging nations exceeded those destined for developed states (Nayyar, 2016). With the exception of Russia, who joined the WTO in 2011, the 2008 (Doha Round) average tariffs imposed on South African exports to the BRIC were about 8 % in China and 12 % in Brazil. In contrast, the average tariff rate by developed economies was lower, with the EU imposing at least 0.3 %, the US, 1.7 % and Japan 3.5 % on trade partners (WTO, 2016a).

Reductions in barriers imposed by developed economies eroded the preference margins. On average, 0.4 % was applied for import into the EU and about 0.5 % in Japan. Rhetoric maintained that various trade agreements outside BRICS entered by the BRICS member countries were detrimental to South Africa, who ended up facing negative preference margins in the bloc (WTO, 2016a).

The BRICS formalisation saw a massive shift in BRICS trade policies, such that the share of BRICS in global trade multiplied over the period 2011–2014. Among the policy adjustments, average tariff rates were reduced within the range of 9 %. Table 12.1 presents a comparative analysis on the tariff rates implemented within the BRICS.

Brazil, Russia and China made 100 % binding coverage on their products, whilst India and South Africa bound 74.4 % and 96.1 % respectively. Tariff binding coverage is referred to as the percentage of products (or “tariff lines”) in a member's list of commitments (or “tariff schedule”) that are legally committed (or “bound”) in the WTO (WTO, 2016a). BRICS countries bound tariff coverage is a positive indication of the commitment of member countries towards fair trading practices. Tariffs are used to restrict imports by increasing the price of goods and services purchased from overseas and making them less attractive to consumers. A specific tariff is levied as a fixed fee based on the type of item, for example, US\$500 on any machinery.

Bound and applied tariff rates were kept higher for agricultural commodities – in India 113.5 %, South Africa 40.4 % and Brazil 35.4 %, with the aim of protect-

Table 12.1
BRICS tariff profiles

	Simple Average Bound Rate (%)			Simple Average Applied Rate (%)			Range (Percentage)		Coef- ficient of variation (Applied Rate)	Non-ad valorem tariffs (% total tariff lines)	Duty free Imports -Agric and Non- Agric (%)
	Tariff binding Coverage (%)	Agric (AOA)	Non- Agric	All	Agric (AOA)	Non- Agric	All	Bound Rate	Applied Rate		
Brazil	100	35.4	30.8	31.4	10.2	14.1	13.5	0-55	0-35	0.6	36.5
Russia	100	11.2	7.1	7.6	11.2	8.9	8.4	0-278	0-278	0.2	44.3
India	74.4	113.5	34.5	48.5	33.4	10.2	13.5	0-300	0-150	1.3	49.1
China	100	15.7	9.2	10.0	15.2	8.6	9.6	0-65	0-65	0.7	51.8
South Africa	96.1	40.4	15.7	19.0	8.4	7.4	7.6	0-597	0-96	1.4	110

Source: Adapted from WTO (2016).

ing the agricultural sector amidst food security concerns. Bound tariffs are specific commitments made by individual WTO member governments. The bound tariff is the maximum MFN tariff level for a given commodity line. When countries join the WTO or when WTO members negotiate tariff levels with each other during trade rounds, they make agreements about bound tariff rates. The applied tariff is the rate used to compute the duty that a participant in international trade is required to pay for the import or export of goods. The applied tariff rate differs from the bound rate that is a fixed tariff rate for all cross border transactions (WTO, 2016a).

Non-ad-valorem tariff rates were insignificant for Brazil, as compared to Russia 9.8 %, India 4.9 %, South Africa 2.6 % and China 0.4 %. Under the ad-valorem tax, customs duty is calculated as a percentage of the value of the product. A high ad-valorem tax discourages imports, as is the case with Russia and India. This has negative implications on the overall trade volume between India and Russia with other BRICS countries (Rasoulinezhad, 2017).

South Africa had a large proportion of duty free imports of 110 %, as compared to Brazil 36.5 %, Russia 44.3 %, India 49.1 % and China 51.8 %. The large proportion of duty free imports in South Africa is the major reason for the negative trade balances with all BRICS economies (Rasoulinezhad, 2017; ITC, 2018).

Apart from a massive reduction in tariff rates, import restrictions, including quotas, were removed. Licences remained the only important restraint for regulating imports in BRICS (WTO, 2016a). Apart from the protectionist agreements, the BRICS had to agree differently on trade remedies to protect their local industries. Trade remedies comprise anti-dumping actions, countervailing duties measures and safeguard actions (Vickers, 2012; WTO, 2016a; ITC, 2018). China has been targeted for most anti-dumping duties emanating from mass production from its cheap labour industries. India emerged as the frequent user of anti-dumping remedies. Brazil made regular use of safeguards and countervailing duties to protect its primary industry. In contrast, South Africa made less use of trade remedies, a situation resulting in her experiencing a negative trade balance with other BRICS economies (Rasoulinezhad and Jabalameli, 2018).

Finally, in order to aid fair trading in the services sector, the BRICS made a commitment in 12 service sectors specified under GATS (General Trade in Services) of the WTO, with an obligation to provide marketing accessibility to the services sector in conjunction with the terms and conditions specified in the agreement schedule (WTO, 2016b). The 12 service sectors are divided into specific sub-sectors in which the BRICS economies made specific commitments, and these are presented in Table 12.2.

Table 12.2
BRICS total services sectors with GATS commitments

Country	Total (no.) Sectors	Sectoral Categorisation
Brazil	43	Business (13), communication (1), construction and related engineering (9), distribution (4), financial (9), tourism and travel related (2), transport (5).
Russia	107	Business (37), communication (8), construction and related engineering (5), distribution (4), education (6), environment (28), financial (2), health (1), tourism and travel related (5), recreational, cultural and sporting (2), transport (14).
India	37	Business (10), communication (11), construction and related engineering (1), financial (13), health (1), tourism and travel related (2)
China	93	Business (41), communication (3), construction and related engineering (5), educational (5), environment (8), financial (2), tourism and travel related (2), transport (15).
South Africa	91	Business (33), communication (7), construction and related engineering (15), distribution (7), environmental (3), financial (20), tourism and travel related (3), transportation (4).

Source: Adapted from WTO (2016).

Among the BRICS, Russia, China and South Africa made a lot of specific commitments in line with GATS agreements, a situation healthy for world trade. Russia made 107 commitments, mostly in business, the environment and transport. China made 93 commitments mostly in business and transport services. South Africa made 91 commitments in business, construction and engineering, as well as in the financial sector. Brazil and India did not commit much as required by GATS. The business and financial services sectors were actively represented with more than 11 specific commitments respectively.

Intellectual property rights form a major part of intra-BRICS trading, and as such, tight monitoring mechanisms are enforced to restrain against infringement. The BRICS are a signatory of the Berne Convention on Protectionism of Literary and Artistic Works. This convention was established in 1886, in Berne, France. Subsequent revisions were effected in 1908, 1914, 1938, 1948, 1967, 1971 and 1979. Revisions were necessary to accommodate new members. In 1988, the Berne Convention was changed to the Berne Convention Implementation Act of 1988, to allow the US to join (Koenigsberg, 1991; ITC, 2018). To date the convention is not yet amended but is still serving the purpose of its establishment.

It is, however, surprising that South Africa was not a member of any intellectual property organisations before 2016. This was despite two internationally recognised organisations in Africa, namely the African Regional Intellectual Property Organisation situated in Zimbabwe (ARIPO) and the African Organisation

for the Protection of Intellectual Property (OAPI) in Cameroon. Having registered and protected IP assets can raise the value of businesses and turn ideas into profit-making assets in the case of sale, merger or acquisition (ITC, 2018).

High trade volumes were realised in BRICS as a result of progressive trade policies. However, trade within the BRICS member countries was lower than expected. In addition, the BRICS trade imbalance was a subject of scrutiny, with more imports skewed towards China, which is the leading partner within the bloc (BRICS, 2015). Numerous bilateral and multilateral trade agreements were signed by the BRICS. The Southern American Common Market⁵ of Brazil has mutual trade agreements with India, endorsed in 2004, and with South Africa endorsed in 2008, emanating from the Southern African Customs Union (SACU)⁶. Trade agreements were also launched between SACU and China, as well as SACU and India. In another dimension, China and India partnered with the Asia-Pacific Preferential Trading Arrangement (APTA)⁷, while India and Brazil partnered with the Global System of Trade Preferences (GSTP)⁸, which aims to promote trade among the G77 economies. Finally, the Asia Pacific Economic cooperation has China and Russia among its member parties (WTO, 2016b).

South Africa is interested in developed nations' markets if exports to the developed economies would provide stringent competition to the foreign nations' local producers. In this instance, Most Favoured Nation (MFN) tariffs will be lower. Alternatively, South Africa can compete in international markets with a developed country as recipient when the country's producers are domiciled in the foreign market, probably as multinational companies (Aldan and Schoeman, 2013). This scenario is ideal as it portrays preferential access. Practically, South Africa has preferential trade access to the EU markets, the US markets, as well as Japanese markets, in comparison with BRICS in which there are high preference margins (Nel, 2017).

South Africa has favourable market access into developed economies through, amongst others, the closely contested Growth and Opportunities Act with the US

5 *Southern American Common Market (MERCOSUR)* represents the South American regional trading agreement. Its membership comprises Argentina, Brazil, Paraguay, Uruguay and Venezuela. The membership also includes Bolivia, Chile, Peru, Colombia, Ecuador and Suriname, with limited membership capacity. The grouping aims to promote free trade in goods, services and currencies (Nayyar, 2016).

6 *The Southern Africa Customs Union (SACU)* is the trading arrangement in 5 nations of Southern Africa, namely Lesotho, Botswana, Swaziland, South Africa and Namibia. The Union makes use of a uniform external and excise tariff for the customs area of the member countries and aims to encourage swift interchange of commodities and services amongst member countries (World Bank, 2015).

7 *The Asian and Pacific Trade Agreement (APTA)* is the specific trade arrangement of countries in the Asian region, with a core mandate of promoting growth and development through trade liberalisation. The countries covered include China, Laos, Bangladesh, South Korea, India and Sri Lanka (Agarwala et al., 2017).

8 *The Globalised System of Trading Preferences (GSTP)* is the brainchild of the United Nations Conference of Trade and Development (UNCTAD). The system focuses on preferential trading agreements among emerging economies (Rodrik, 2018).

(AGOA), the European-based Free Trade Association (EFTA) with membership in Switzerland, Lichtenstein, Norway and Iceland and the Generalised System of Preferences (GSP) with Japan. In 2008, the preference margins with the EU and Japan were below 2.9 % and 0.5 % respectively (WTO, 2016b). Reduction in developed economy barriers was responsible for falling preference margins. In BRIC, South African preference margins were negative. This was attributable to numerous regional trade agreements entered by the BRIC (WTO, 2016b).

According to the WTO (2016b), South Africa was not active in international FTAs after the year 2000. The numerous agreements signed by the BRICS had high symbolism in encouraging trade and investment rather than revising the tariff structure and systems. As such, South Africa was pitted at a disadvantage as there were no formal gatherings to revise the binding rules and tariff preferences. The proof could be traced to the India, Brazil, South Africa (IBS) Forum of 2003 and the US-SACU free trade, investment and development agreement established in 2008. In addition, South Africa signed a preferential trade agreement with the Southern Common Market in 2008, as well as with China under the auspices of the comprehensive strategic Partnership for Growth and Development in 2015 (PGD) (Rahul et al., 2016).

These agreements are justifiable from the viewpoint of any country's development prospects, but they do not provide additional preferential access and benefits to South Africa, more than those granted to countries who are signatories to more comprehensive FTAs. This therefore calls for policy deliberations on the tariff and preferences anomaly to the benefit of South Africa.

12.5 Policy recommendations

Trade policy differentials are responsible for trade imbalances between South Africa and BRIC, and are also the geopolitical downside of BRICS and the global trading system. This section offers policy recommendations for BRICS and the multilateral trading system, as well as for South Africa and BRICS.

12.5.1 BRICS and the multilateral trading system

Stalling the WTO Doha Round and the rise of TTIP and Trade and Investment South Africa (TISA) has caused trade arrangements to be seen as major challenges to the BRICS trade system. Since 2011, the overall exports of the BRICS were decreasing (Rodrik, 2018). The blame has shifted onto economic challenges within the bloc, but the rivalry of other trading blocs who felt threatened by the BRICS preferential trading arrangements and export incentives cannot be ignored (Lee et al., 2016; Rodrik 2018). The BRICS can negotiate the removal of protectionist policies adopted by other global economies who felt threatened by the BRICS' existence. Needless to say, for sustainable solutions, the BRICS ought to have a strong inter-

est in reducing or removing numerous trade barriers. Most specifically, the BRICS need to advance regional and interregional economic integration as their top priority. They can most probably leverage the terms of global trading by engaging Britain in trade dialogue citing BREXIT (Britain exiting the European Union) as an important agenda. This, to some extent, has a caucus to evade the mystic conditionality of the TTIP and TISA, as they risk their dominance typical to the IMF and the World Bank on global matters (Rodrik, 2018). Nevertheless, the BRICS can heighten trade discussions with the TTIP in their regions, to avoid isolation.

12.5.2 South Africa and BRICS

Since the BRICS inception in 2010, few tariff reforms were implemented and very low preference margins were granted on the products which made up a large share of South African exports. This is indicative that partial trade agreements implemented by the government did not give the country deep access into the BRICS. South African exporters should venture into value addition so as to increase their trade competitiveness. This would have positive implications on South Africa's trade balances with BRICS. As reported from ITC (2018), South Africa's exports to BRICS are mostly in the primary industry as compared to Brazil, China, India and Russia with comprehensive value addition in their export composition.

South Africa's trade negotiations with the BRIC are centred on promoting domestic industrial policy. The procedure comprises a detailed sectoral analysis aimed at advancing South Africa's industrial sector through production, manufacturing and export of sophisticated value-added products, hence attaining dynamic competitive preferences (Rodrik, 2018; Greenaway and Kneller, 2007). The approach has been commendable on the thrust it has in providing domestic policy space. However, it puts South Africa at a disadvantage when seeking market access for its exporters due to complexities in its tariff structure. An alternative approach would be to replace the overall tariff rates with a simple tariff structure, but still maintain protectionism in critical sectors. This has positive implications on employment and capacity utilisation of local industry. In addition, emphasis would be placed on fostering greater multilateral liberalisation with the BRIC economies as an offensive approach. Most appropriately, South Africa should retain protectionism in sensitive sectors as it grants free market access to partnering countries under the auspices of comprehensive bilateral agreements.

Greater urgency is required in accelerating regional integration in Southern Africa and within the Economic Community of West Africa States (ECOWAS), COMESA and the SADC tripartite, at the same time promoting the harmonisation of the US and EU while nurturing membership with AGOA and the EPAs.

12.6 Conclusion

This chapter asked why there was no impact of BRICS integration on trade in specific commodity exports in member countries, particularly South Africa. In order to answer that question this chapter elaborated on the aims of the BRICS alliance, the main inhibitors for achieving those goals and the consequences thereof for the BRIC trade with South Africa.

The main conclusion is that despite the far-reaching goals of improving bargaining power at the multilateral level; increasing regional impact; ensuring access to markets and natural resources; facilitating financial cooperation and addressing the geopolitical gap, in order to attend to the post-uni-polar world, the effects of being a BRICS member have, for South Africa, been meagre. Our analysis shows that this is a direct result of:

- Few tariff reforms implemented and very low preference margins granted on products which make up a large share of South African exports.
- Complexities in the South African industry tariff structure.
- Inactivity in free trade agreements.
- Non-membership in regional and international intellectual property rights.

Although it will be difficult to remove all the barriers, South Africa can adopt some policies to improve its position within BRICS and to profit from this alliance, namely:

- Identifying sectors of trade complementarity with BRICS countries in order to reduce trade deficit.
- Developing the agri-business sector through collaborative ventures, technology transfers and knowledge-sharing, so as to increase value added exports and trading profile.
- Aligning domestic economic strategies and foreign policy.

This points to the need for reforms in key trade policies and the emergence of a fair trading system with a non-selective tariff structure. Trading policy needs to be aligned to the benefit of each BRICS country's needs, particularly for South Africa, having a negative trade balance with all member countries. Moreover, adaptation to the threat of upcoming initiatives, duped post-BRICS multilateral trading systems and development initiatives is a prerequisite. The BRIC countries have signed numerous trade agreements in various regional blocs other than BRICS. This could be matched by South Africa through re-engaging in trading with SADC and SACU, in order to realise positive gains from such trade.

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Chapter 13

Institutionalising Coproduction: A Potential Service Delivery Policy Change for Rural Africa

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Abstract

Although most African countries run a democratic system which is intended to be responsive to its population, service delivery conditions in rural Africa are still a huge challenge. Governments in African countries are unresponsive to the challenges rural dwellers face with basic service delivery. The challenges are currently met with rising service delivery protests across the continent. Public organisations all over the world are increasingly changing their policies on service delivery – e.g. from the traditional service delivery arrangement to coproduction. Coproduction, i.e. the involvement of citizens in the delivery of public services, is organised by public organisations to increase efficiency and reduce the cost of producing services to citizens. Coproduction is now a global trend in solving service delivery challenges. This chapter examines the service delivery policy change through coproduction, and the unorthodox determinants of such coproduction. The desk research analysis conducted found unconventional factors such as the growth mindset of public professionals, citizen resource contribution and their willingness to coproduce service delivery to be responsible for improving service delivery outcomes in remote parts of Africa. The chapter concludes that an extensive adoption of coproduction in rural Africa is necessary for the realisation of improved service delivery outcomes and the eventual transformation of the lives of the rural population.

Key words

Institutionalised coproduction, service delivery, rural Africa, policy change, citizens, public professionals

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13.1 Introduction

Africa's development story is gradually changing as democratic governance is strengthening and economies are growing (Mayaki, 2018). Some of the African countries are applauded for comparatively good airports, reasonably good seaports, competitive access to information and communication technology (ICT), growing agricultural production, relatively good transport systems and advanced medical care (Mayaki, 2018). However, these positive indicators are unnoticeable in rural Africa (Wessal et al., 2014; World Bank, 2014; United Nations, 2016; Mayaki, 2018). It would seem that the positive indicators listed are only available in the urban areas of most of the African cities. Public goods such as healthcare, education, roads, security, electricity, water and sanitation are in short supply in rural communities (Wessal et al., 2014; Uzochukwu et al., 2015; Mangai, 2017).

The World Bank indicators show that over 60 % of the African population lives in rural locations - a relatively large proportion when compared with 26 % of the EU population which resides in the countryside and 74 % living in urban areas (World Bank, 2014). The lack of infrastructure and services in many rural areas in Africa gives rise to constant citizen protest and violence. The widespread service delivery protest is an attempt to realise social equality in public service delivery (Joseph and Ojo 2014; Wessal et al., 2014; Mangai, 2017; Cloete, 2018; Mayaki, 2018). Rather than achieving social equality, however, these countries are marred with political instability. Citizen protest is fast becoming the language of communication to the government to improve service delivery. From one viewpoint, the protest seeks to achieve inclusiveness in service delivery (Cloete, 2018, p. 307), whilst from another viewpoint, it is a way for citizens to express their frustration with inadequate service delivery (Joshi and Moore, 2004, p. 32). Perhaps inclusiveness could be the pre-requisite for political stability, but also an avenue to involve citizens in the delivery of public services - i.e. institutionalised coproduction (Joshi and Moore, 2004; Cloete, 2018; Mayaki, 2018). The latter, together with the unconventional factors which enhance the institutionalisation of coproduction, is discussed in this chapter. Inclusiveness in this study is limited to the involvement of citizens in the implementation cycle of service delivery.

This study addresses how coproduction is being organised in developing countries, since the practice is not yet widespread in these countries (Mangai, 2017, p. 23). Some authors have identified certain unorthodox factors to be responsible for facilitating and sustaining coproduction practice in developing countries (Joshi and Moore, 2004; Kunkuta and Amani, 2016; Mangai, 2017; Mangai and de Vries, 2018; Mangai, de Vries and de Kruijf, 2018).

This study advocates for the adoption of two unorthodox determinants i.e. the growth mindset of public professionals and citizen resources contribution, as well as their willingness to coproduce public services. This is so that those who want to

steer coproduction practices in their country will have a better understanding of the factors which enable successful coproduction practice, and those who think it is impossible to achieve coproduction could have a rethink on their mindset (Bovaird et al., 2017). Moreover, Dweck (2012, p. 12) asserts that, “sometimes people with the growth mindset stretch themselves so far that they do the impossible”. Any proactive steps taken by public professionals to include and involve citizens in service delivery are referred to as institutionalised coproduction (Joshi and Moore, 2004). The emphasis on the unorthodox determinant of institutionalised coproduction provides for a paradigm shift in public administration strategies and service delivery policy making for the African community.

The purpose of this chapter is to argue that, firstly, institutionalised coproduction is widely effective in delivering public services to rural dwellers, (Ostrom, 1996; Joshi and Moore, 2004; Mangai and de Vries, 2018). A smart policy adaptation to understand and sustain the practice is required and the unorthodox factors responsible for such coproduction should be extensively explored and discussed for better understanding. Secondly, since the economic blueprint of Africa is far from favouring service delivery (United Nations, 2016; Mayaki, 2018), thereby aggravating service delivery protests, which result in colossal losses to the government, public professionals may continue to seek institutionalised coproduction of basic services with citizens. Thirdly, the unconventional strategies adopted by some local public organisations to improve service delivery outcomes – which seem like the last resort (Mangai, 2017) - should be preached until they reach public professionals all over Africa.

Joshi and Moore (2004, p. 31) assert that, “if we are to properly explore the full range of options for service delivery in poor countries, we need to take the existence of unorthodox arrangements more seriously and see what lessons we must learn about what makes them more or less effective or accepted”. The question this study asks is: How can coproduction be activated and what factors are responsible for the successes of the practice in rural Africa?

These research questions are answered through a document analysis, as well as the data from the fieldwork conducted on coproduction of healthcare and clean water services among Ghanaian and Nigerian citizens and public professionals. The next section gives an elaboration on the contextual background of service delivery arrangements in rural Africa, followed by a section on the justification for a policy change in service delivery. The subsequent section analyses institutionalised coproduction and the unorthodox determinants of such coproduction. An explanation on how to maintain the policy which encourages institutionalised coproduction follows, with the last section answering the main research question.

13.2 The context of service delivery arrangements in rural Africa

The discussion on service delivery arrangements in rural Africa is centred on the characteristics of rural areas described in Table 1 below. Chigbu (2013, p.813) recognises the concept of ‘rural’ as “elastic, flexible and usable in multiply ways”, because there is no single definition for the concept. The aim is not to dwell on the various definitions of ‘rural’, but to adapt Chigbu’s (2013b) framing of a rural setting. Chigbu (2013b, p. 11) categorises rural areas from the perspective of differentiating a rural setting from an urban setting (see Table 13.1).

Table 13.1
Understanding ‘rural’ by emphasising its differences from ‘urban’

Rural	Urban
More traditional lifestyle	More modernised lifestyle
Sparse settlement pattern	Cluster settlement pattern
Usually associated with poverty	Usually associated with wealth
Less infrastructural conveniences	More infrastructural conveniences
Cultural homogeneity	Cultural heterogeneity
Lower population	Larger population
Few or no industrial zones	More industrial zones
Less economic activities	High economic activities
Low influence by globalisation	Higher influence by globalisation
Faced with loss of heritage challenge	Faced with slum/ghetto challenge

Source: Adapted from Chigbu (2013b, p. 11)

From a contextual approach, service delivery arrangements in rural Africa are mainly provided by the local level/tier/sphere of government and administration. In line with the purpose of the chapter, reference will be made to the local level of government. The local level of government is the closest governmental organisation to the people and because of that, service delivery is expected to positively affect the daily lives of the rural dwellers. However, there is a shortfall of infrastructure and public service provision in rural Africa in general (Mayaki, 2018; UNDP, 2014). Public services such as healthcare, education, roads, electricity, security, water and sanitation are not adequately available in rural locations (Mangai, 2017).

Irrespective of the fact that adequate service provision and infrastructural transformation contribute to poverty alleviation, human development and socio-economic change (Thornhill, 2008; Cloete, 2018; Mayaki, 2018), these services are not accessible to the rural dwellers. Local government is the steering actor for service delivery and is mandated with the responsibility of providing basic services to the people, but is incapacitated to do so in many countries (Joseph and Ojo, 2014;

Uzochukwu et al., 2015). Some of the reasons associated with its lacking capacity to deliver on the mandate are associated with fiscal federalism and decentralisation (Joseph and Ojo, 2014) - even when many local governments across the African continent are financially completely dependent on the national government of their country. The call for decentralisation is widespread (Joseph and Ojo, 2014; Mayaki, 2018). Until this major concern is addressed, the over-reliance of local governments on their national governments, who are doing little or nothing to empower them, will continue to compound service delivery challenges in rural Africa (Joseph and Ojo, 2014; Wessal et al., 2014; Uzochukwu et al., 2015; Mangai, 2017; Mayaki, 2018).

The lack of decentralisation and financial resources may not be the only reasons for the economic and socio-political retardation in rural Africa. Other factors such as corruption, urbanisation, logistics and governance issues are also associated with the challenges of poor service delivery confronting rural Africa (Uzochukwu et al., 2015). The next section will examine the theoretical perspectives which motivate public organisations to consider viable alternative policies to service delivery.

13.3 Policy change perspectives

Cloete (2018, p. 303) asserts that “from a systems perspective, public policy is a reaction to environmental demands for a change in the *status quo* as a result of perceived problems in society which need intervention from the government to improve or eradicate them”. This assertion is self-evident, because societal and organisational needs, preferences and demands often change and grow through time. Cloete (2018) reiterates that societal stability could be enhanced if policy systems (i.e. governments) recognise societal demands, needs and preferences and adjust their policies to cater for those demands, needs and preferences. Moreover, such changes should not be an uphill task for a democratic government who should be responsive to its population.

A more comprehensive perspective on policy change is given in the complex systems perspective. The complex systems perspective to policy change assumes that society is an extremely complex system. Therefore, attaining stability or equilibrium at a satisfactory level is, in practice, almost impossible (Cloete, 2018, p. 303). The ineffectiveness of existing policies widens the gap between the society and policy system, thereby creating a conflict in a policy regime. If government is unable to intervene and cater for the pressing needs of the citizens, a resistance is built against the government, thereby making government lose its legitimacy. According to Cloete (2018), such a scenario often leads to revolution and system collapse. Cloete (2018) provides some examples, like the apartheid policy regime in South Africa, the Arab Spring, the Ukraine crisis and the service delivery protests in many African countries.

A number of factors are responsible for the constant change in policies (Cloete, 2018, p. 209):

- The idea that in the policy environment, technological, cultural, economic, social and political changes often occur because of the dynamic nature of the policy environment where these changes exert pressure on policy makers for amendments to occur.
- Another derivative of policy change involves the changes in public opinion, belief systems, behavioural patterns, perceptions, values and how all those shape public policy.
- Changes occurring as a result of sectoral needs in society.
- Changes in service delivery alternatives which emphasise a facilitative role for government in terms of service delivery.
- A policy change as a result of a change in political leadership e.g. when political leadership changes from the ruling to the opposition party.
- Changes in resource availability due to a decline in economic growth.
- Changes in the nature of governmental institutions, especially when such institutions are becoming less formal and less bureaucratic.

One could also focus policy change on increasing the involvement of stakeholders. An earlier study on the involvement of citizens in service delivery conducted by Ostrom (1996) three decades ago was related to the coproduction of water provision and education in two developing countries: Brazil and Nigeria. The policy change, which should have sustained such coproduction, was weak in these countries (Mangai, 2017). Rather than fostering coproduction in developing countries, such policy change in service delivery alternatives has become more widespread in developed countries. In developed countries, nowadays, many public services are coproduced together with the citizens (Bovaird, 2007; Radnor et al., 2013; Voorberg, 2015). That this is not yet the case in developing countries does not imply that all hope is lost for coproduction in those countries, as a series of studies has recently been published to identify the possibilities and successes of coproduction in developing countries (Ostrom, 1996; Joshi and Moore, 2004; Kunkuta and Amani, 2016; Mangai, 2017; Mangai and de Vries, 2018; Mangai, De Vries and de Kruijf, 2018).

13.4 Institutionalised coproduction

Joshi and Moore (2004, p.31) define “institutionalised coproduction to include regulation through a regular long-term relationship between state agencies and organized groups of citizens, where both make substantial resource contributions”. Institutionalised coproduction is used interchangeably with coproduction in this study because scholars of coproduction assume a similar meaning to the two con-

cepts. Although there are various definitions of coproduction, the central message in the concept is the active and direct involvement of citizens in the delivery of public services (Ostrom 1996, p. 1073; Bovaird, 2007, p. 847; Brandsen and Honingh 2016, p. 431). Coproduction is becoming a widespread alternative to service delivery in both developed and developing countries. However, the levels of coproduction and motivation for coproduction vary across and within countries. Whereas in developed countries coproduction is seen in the phase of the policy (co)design, (co) implementation, (co)execution, (co)monitoring and (co)evaluation; in developing countries, coproduction is often restricted to the policy (co)implementation phase of service delivery (Surva et al., 2016, p. 1031; Nabatchi et al., 2017, p. 769).

Institutionalised coproduction is fast becoming an available option for service delivery arrangements in rural Africa (Joshi and Moore, 2004; Mangai and de Vries, 2018), since other alternative service delivery arrangements such as outsourcing, decentralisation, privatisation and corporation are often too far reaching with disappointing results (Joshi and Moore, 2004; Cloete, 2018).

Some studies (Ostrom, 1996; Joshi and Moore, 2004; Kunkuta and Amani, 2016; Mangai, 2017; Mangai and de Vries, 2018) have identified the rationale behind the kind of coproduction found in developing countries and why public organisations play the role of facilitator in the delivery of basic services. The rationale to coproduce public services varies across continents. On the African continent, due to a weak state authority and lack of financial investment, logistical difficulties and lack of capacity building are almost forcing public professionals to coproduce public services. Public organisations are struggling to fulfil their role of providers to rural communities with regard to basic service delivery (Joshi and Moore, 2004; Mangai, 2017). Nevertheless, such roles are taken for granted in the developed countries (Mangai, 2017). The struggle is inducing public professionals to adapt unconventional ways of delivering services to the rural communities in particular. These unconventional ways are discussed in detail in the next section.

13.5 Unorthodox determinants of institutionalised coproduction of public services

This section explains the unconventional factors which make coproduction thrive in rural Africa. The expectation is that “sustainable public service delivery is an instrument for achieving sustainable development, which hopefully leads to sustainable social change over time” (Cloete, 2018, p. 308). This assertion is realisable through the unconventional factors discussed below.

13.5.1 The mindset of the public professionals

After decades of research on achievement and success, the world renowned scholar in the field of psychology, Carol Dweck, pioneered a simple but significant idea –

the power of the mindset. A mindset is “the attitude people adopt towards their potential, abilities and intelligence” (Dweck, 2012, p. 15). The fundamental thing about a mindset is that it is dynamic (Stewart, 2009). The concept describes people’s attitude to life and all the challenges with which they are confronted. A mindset can be categorised as either a fixed mindset or a growth mindset. Those with a fixed mindset believe that their qualities, talent or intelligence are fixed by nature. Conversely, the growth mindset is anchored on change and the belief that qualities can be developed (Dweck, 2012). Dweck (2012, p. 10) asserts that “people in a growth mindset do not just seek challenges, they thrive thereon - the bigger the challenge, the more they stretch”. The world of sport provides a concrete example of the growth mindset - where sport-persons stretch themselves to grow to fame (Stewart, 2009; Dweck, 2012).

A key component of the paradigm shift in service delivery policy in developing countries, such as Ghana and Nigeria, is the growth mindset of the public professionals. The *status quo* of service delivery in rural Africa was the traditional service delivery where government is the sole actor (Cloete, 2018, p. 209). In the traditional service delivery regime, citizens in these countries have the impression that infrastructure and public services are government owned. Therefore, government facilities are susceptible to vandalism and whenever it is damaged, it is disregarded and government becomes the big loser (Mangai, 2017). In order to minimise government losses, public professionals in Ghana had a different mindset. They decided to co-opt the citizens to provide services in an inclusive manner. In that way, they were able to achieve much success in delivering clean water and healthcare to the rural dwellers. This study therefore infers that the growth mindset of involving citizens to jointly produce those basic services brought about the successes recorded in the practice of coproduction.

From the two types of mindsets explained above, it is obvious that the water and health professionals in Ghana had a growth mindset – the mindset which changed the *status quo* of service delivery. Public professionals in rural Ghana changed their way of thinking and subsequently their way of implementing service delivery policies, through empowering the people and co-opting them in the implementation process of water provision and healthcare provision. For instance, Mangai and de Vries’ (2018) findings show that citizens in rural Ghana are widely involved in the maintenance of water facilities. They are trained by the water professionals to provide technical support in the event that the water installation machine (aka borehole) in their locality is damaged. The borehole maintenance culture is sustained via the deployment of certain policy instruments embedded in governing resources such as information, authority, financial and organisational structure (Hood and Margetts, 2007) which made it possible to sustain the availability of clean water in remote locations in Ghana. The citizens are also committed to contribute financially to the borehole in their community. A 5% counter-part water project funding is required from the citizens, as a share of their contribution to

having a borehole in their community. Mangai and de Vries (2018) reveal that the (im)possibilities of involving citizens in coproduction vary greatly between Ghana and Nigeria. The striking difference is that notwithstanding the similarities in the socio-economic situation of the rural dwellers in Ghana and Nigeria, the locals in Ghana are able to sustain a minimal financial contribution to the water facilities in their community, mainly due to an influential factor - the growth mindset of the professionals to change the *status quo* of service delivery, whereas this is not seen in Nigeria. Needless to say, the growth mindset of the public professionals in Ghana is a potential factor which enhances coproduction and is hopefully serving as an alternative form of public service delivery in the rural areas.

Dweck's study (2012) on "promoting change in the Middle East" also found that the growth mindset could enhance willpower, lessen chronic aggression, increase intellectual achievement, promote cross-racial relationships and resolve conflicts between enduring oppositions. Having a growth mindset therefore is a prerequisite for engaging citizens in institutionalised coproduction.

13.5.2 Citizen resource contribution and their willingness to coproduce service delivery

Since limited human and financial resources are available for local public organisations, public professionals may continue to seek the corporation and collaboration of citizens and communities to become enabled to deliver public services in rural Africa. An important criterion which is likely to sustain the collaboration in institutionalised coproduction is the resource contribution of citizens and their willingness to coproduce service delivery. Mangai (2017) identifies certain resource contributions, namely skills, knowledge, assets and income in the field of healthcare and clean water provision, where Ghanaian and Nigerian citizens are either actually coproducing or willing to coproduce. In that study, rural Ghanaians are directly and actively involved in the maintenance of water facilities and their contribution is providing sustainable access to clean water in rural communities. Citizens invest their time in providing labour during water installation projects in their community. They also contribute minimal funding to borehole projects, and a pay-as-you-fetch policy that is designed to raise funds is used to maintain their borehole whenever it is damaged. Similarly, citizen resource contribution is also visible in primary healthcare centres in Ghana. Citizens clean the health facilities and its environs to protect patients who visit the health facility at night from snake bites; they build incinerators for the health facilities and provide labour when needed. Hence the changes in the mindsets of the citizen are evident and this produces in them a feeling of ownership and responsibility.

Although there was an overwhelming willingness by citizens of both countries to participate in the coproduction of healthcare and clean water, citizens' actual resource contribution was not noticeable in rural Nigeria, (Mangai, 2017;

Mangai and de Vries, 2018). It is only through utilising the opportunities that institutionalised coproduction is realised, especially in countries like Nigeria where coproduction is almost absent (Mangai, 2017; Mangai and de Vries 2018). Public professionals and policy makers can explore the willingness of citizens by activating and designing a policy change which embraces institutionalised coproduction in both sectors and countries.

In the first study on coproduction, Ostrom (1996) found that public professionals in Brazil encouraged citizens to coproduce peri-urban sanitation infrastructure. Brazilian citizens contributed their time and labour to the installation of water and sanitary pipes across their neighbourhood. In the same vein, Joshi and Moore (2004) found coproduction in the road transport sector in Ghana, and Kunkuta and Amani (2016) found coproduction in the cashew industry in Tanzania. These examples present coproduction as a possible success story in Africa.

13.6 Policy maintenance

Since this chapter advocates for a wide adoption of institutionalised coproduction across rural Africa, it is pertinent to discuss the policy strategies which facilitate the maintenance of an institutionalised coproduction. The discussion in this section is aimed at providing policy makers, service providers, interested scholars and even sceptics of the concept with some insight and assurance that institutionalised coproduction can be sustainable in rural Africa. Mangai and de Vries' (2018) study shows that the deployment of substantive and procedural policy instruments embedded in governing resources, such as information, financial, legal and organisational structure facilitates coproduction, which in turn results in the maintenance of water facilities and in that way sustained clean water provision in remote areas. For instance, legal-based policy instruments, such as by-laws and constitutional documents, are used to penalise any form of water related offences. Consequently, the Ghanaian water professionals use the authority-based policy instruments to regulate and promote a community sense of responsibility and ownership of the water facilities. By-laws and the Constitution are the regulatory tools used for either sanctioning citizens for misconduct or rewarding loyalty (Mangai and de Vries, 2018).

This section concludes that there is substantial evidence that the proper use of policy instruments results in sustainability of the policy change towards the coproduction adopted in some developing countries (Mangai and de Vries, 2018; Joshi and Moore, 2004). Therefore, there is a high possibility that institutionalising coproduction will succeed in many areas of rural Africa, if policy instruments are deployed and maintained correctly.

13.7 Conclusion

This chapter is the result of the thought that it is not only possible, but also desirable, to activate institutionalised coproduction in rural Africa in general. The chapter contributes to the understanding that there is a need for a growth mindset and the willingness to explore adaptive and alternative service delivery options. This most certainly would result in institutionalised coproduction, which is a global paradigm shift to novel service delivery policies and alternatives. The research questions thus followed: *how can coproduction be activated and what factors are responsible for the successes of the practice in rural Africa?*

Firstly, the chapter reveals that the extension of invitation to citizens to coproduce service delivery in rural Africa was activated due to the notions citizens have about government-owned facilities, and the idea that the facilities are government-owned provides the loophole for the destruction of the facilities (Mangai and de Vries, 2018). As a way to change the *status quo*, public professionals in Ghana adapted their service delivery policy to engage citizens in coproduction, which established an inclusiveness strategy to service delivery, with changing ideas about ownership and responsibilities. To buttress this point, Mangai and de Vries (2018, p. 94) discovered that “the Ghanaian water management model is built around a deliberate government policy to promote the engagement of citizens, assign maintenance responsibilities, ensure community ownership of the water facility and the acceptance of payments for water and social accountability”.

Secondly, Mangai and de Vries (2018) identify some unorthodox factors to be responsible for the successes achieved in the practice of coproduction, namely the growth mindset of the public professionals, citizen resource contribution and their willingness to coproduce service delivery. Emerging knowledge from, for instance, the mindset of the professionals is the idea that it takes a growth mindset to activate coproduction and the incorporation of this type of mindset gives rise to adaptive service delivery policy, which is sustaining the provision of basic service delivery in remote African locations (Dweck, 2012; Dweck, 2017).

Thirdly, embedded in the adaptive service delivery policy is the willingness and subsequent deliberate effort of the professionals to involve citizens in service delivery. This kind of policy change regime is encouraging citizens to contribute their skills, time, knowledge and finances to the services provided to them, irrespective of their socio-economic status (Mangai, 2017; Mangai and de Vries, 2018).

A major conclusion arising from this study is that the growth mindset is sufficiently powerful to activate coproduction in many parts of Africa where communalism is still prevalent (Brandsen and Honingh, 2016). Brandsen and Honingh (2016) argue that coproduction practices have the potential to flourish and to be more successful in developing countries, due to the collective societal approach to life when compared to the individualised western society. This study demonstrates

to the scholars who are sceptical of the successes recorded in coproduction (Bovaird et al., 2017) that the growth mindset is powerful and dynamic, therefore, changing the mindset of officials as well as citizens towards coproducing public services is just a stone's throw away from realising better service delivery outcomes for the people. The growth mindset is vital for the governments, and specifically local governments in Africa, to consider when improving and adapting novel service delivery policy.

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With the publication of this book, various authors are showcasing their original research produced and aptly named “Public Administration: Reflection, Relevance and Readiness”. The first section of the book – Reflection – comprises chapters that contemplate how the practice and theory of the discipline are inextricably linked whilst asking questions about how the discipline’s body of knowledge is influenced by the macro and micro environments within which it manifests. The second section of the book – Relevance – envisions how the discipline’s practice remains relevant within the highly politicised social and economic reality. The section on relevance clearly indicates that the practice of public administration affects the daily lives of all citizens and illustrates how complex the structuring and practice of the field of study has become. The final section – Readiness – contemplates the extent to which the South African government, and by extension the practice of public administration, is geared for the complex future it faces.

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